

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

IN RE: APPLE INC. SMARTPHONE
ANTITRUST LITIGATION

This Document Relates to:

Giamanco v. Apple Inc., 24-cv-7238-JXN-
LDW

Civil Action No. 24-md-3113-JXN-LDW

MDL 3113

**DIRECT APPLE WATCH PURCHASER
PLAINTIFFS' FIRST AMENDED CLASS
ACTION COMPLAINT**

JURY TRIAL DEMANDED

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Plaintiff Joseph Giamanco, on behalf of himself and those similarly situated, states as follows:

NATURE OF ACTION

1. Apple is the most profitable consumer electronics company in the world. Over the last decade or more, Apple has exploited its dominant position vis-à-vis the iPhone to stifle innovation and gain control of adjacent markets. Apple did not invent the smartwatch, but it now possesses a monopoly over the market for smartwatches that connect to the iPhone. This case challenges Apple's use of anticompetitive acts and agreements to degrade user experience, block innovation, hamper app developers, and stifle competition with its smartwatch—the Apple Watch—enabling Apple to acquire and maintain that monopoly power.

2. Apple has followed the tech monopolist's playbook. It first forces key third parties to sign illegal agreements that block competitors from offering smartwatches with basic features, such as the ability to reply to text messages, and prevent third-party app developers from marketing iPhone apps that work with competing smartwatches. Apple's agreements limit competition from other smartwatches and have contributed to companies such as Samsung and Google declining to make smartwatches that connect to the iPhone, further restricting choice for iPhone users.

3. Then, for the few competitors that remain, Apple ensures they cannot compete on the merits by continually updating and redesigning the iPhone operating system in ways that disrupt and degrade competing smartwatches, harming its own iPhone users who have ventured to purchase competing smartwatches. Apple creates an unending barrage of problems that cause competitor smartwatches to disconnect from paired iPhones and constrain the information competitor smartwatches can provide their users.

4. Apple's tactics are familiar: Microsoft used a combination of illegal agreements and illegal design choices to exert control over the operating system and web browser markets in the 1990s.¹ And more recently, Google used a combination of illegal agreements and artificial technical constraints to monopolize the markets for digital publisher advertising tools and app stores on Android smartphones.²

5. Apple's monopolistic abuses have been enormously successful. As a result of its conduct, approximately 79% of iPhone owners who own a smartwatch have an Apple Watch. At the same time, competitor smartwatches are disappearing. Less than two years after Apple first released the Apple Watch in 2015, Apple's anticompetitive conduct led to the failure of Pebble, a then-leading maker of iOS-compatible smartwatches. Following Apple's introduction of the Apple Watch, three of the world's largest consumer-technology companies have either stopped making smartwatches that connect to iPhones or declined to enter that market. In 2021, Samsung—the world's leading smartphone manufacturer—stopped making smartwatches that connect to the iPhone. In 2022, Meta abandoned plans to launch a smartwatch that would compete with the Apple Watch. And that same year, Google announced that it would not release its Google Pixel Watch for iOS, citing Apple's anticompetitive restrictions. Meanwhile, Samsung and Google continue to release successful smartwatches that connect to Android smartphones.

6. Apple's monopolistic abuses have also been enormously profitable. In 2023, Apple reportedly earned an estimated \$23.8 billion in revenue from Apple Watch sales, approximately the same annual revenue as McDonald's globally.

¹ *U.S. v. Microsoft Corp.*, 253 F.3d 34 (D.C. Cir. 2001).

² *U.S. v. Google LLC*, No. 23-cv-108 (E.D. Va. Apr. 17, 2025), ECF No. 1410; *Epic Games, Inc. v. Google LLC*, No. 20-cv-5671 (N.D. Cal. Jan. 9, 2025), ECF No. 716.

7. Apple's years-long campaign to limit smartwatch competition has harmed Apple iPhone users. Because of Apple's anticompetitive conduct, iPhone users who want a fully functional smartwatch have only one option: the Apple Watch. And for iPhone users who insist on purchasing a competitor smartwatch, Apple makes that smartwatch needlessly difficult to use. By foreclosing competition, Apple has been able to charge higher-than-competitive prices for its Apple Watch. Plaintiff seeks to put an end to Apple's anticompetitive practices, recover damages for the amount Apple has overcharged its users, and hold Apple responsible for its illegal conduct.

PLAINTIFF

8. Plaintiff Joseph Giamanco is a natural person who resides in Bolingbrook, Illinois. On December 2, 2021, Mr. Giamanco purchased an Apple Watch Series 7 from Apple.com for pick up at the Apple Store in Oakbrook, Illinois.

9. Mr. Giamanco is a cyclist and runner. Mr. Giamanco would prefer to own a Garmin smartwatch and would purchase one but for Apple's restrictions on the Garmin smartwatch's capabilities. Due to restrictions on the Garmin smartwatch's functionality when connected to his iPhone, Mr. Giamanco has purchased the Apple Watch, including an Apple Watch Ultra 2 since initiating this litigation. Because he has no other choice, Mr. Giamanco plans to buy another Apple Watch when it comes time for him to replace his current Apple Watch.

DEFENDANT

10. Defendant Apple Inc. ("Apple") is a California corporation with its principal place of business at 1 Apple Park Way, Cupertino, CA 65014.

RELEVANT NON-PARTIES

11. Core Devices LLC ("Core Devices") is a California limited liability company and maker of smartwatches that operate on PebbleOS.

12. Garmin International, Inc. (“Garmin”) is a Kansas corporation with its principal place of business at 1200 East 151st Street, Olathe, KS 66062.

13. Google LLC (“Google”) is a Delaware corporation with its principal place of business at 1600 Amphitheatre Parkway, Mountain View, CA 94043. Employees working on Google’s Pixel Watch and Wear OS also work out of Google’s office at 320 N Morgan Street, Suite 600, Chicago, IL 60607.

14. Meta Platforms, Inc. (“Meta”) is a Delaware corporation with its principal place of business at 1 Hacker Way, Menlo Park, CA 94025.

15. Motorola Mobility LLC (“Motorola”) is a Delaware corporation with its principal place of business at 222 West Merchandise Mart Plaza, Chicago, IL 60654.

16. Samsung Electronics America, Inc. (“Samsung”) is a New York corporation with its principal place of business at 85 Challenger Road, Ridgefield Park, NJ 07660.

JURISDICTION

17. This is a civil action seeking damages and injunctive relief under federal antitrust law and California law. The Court has subject matter jurisdiction over the causes of action under 15 U.S.C. § 26 and 28 U.S.C. §§ 1331, 1337, 1367.

18. This Court also has subject matter jurisdiction under 28 U.S.C. § 1332(d) because the proposed Class contains more than 100 persons, the aggregate amount in controversy exceeds \$5,000,000, and at least one proposed Class Member is a citizen or subject of a foreign state and Defendant is a citizen of the State of California.

19. The District Court for the Northern District of Illinois, where this action was originally filed, had subject matter jurisdiction for the same reasons under 15 U.S.C. § 26 and 28 U.S.C. § 1331, 1332(d), 1337, 1367.

20. This Court has personal jurisdiction over Defendant, and venue is proper in this district, under Section 12 of the Clayton Antitrust Act, 15 U.S.C. § 22. Defendant may be found in and transacts business in this district. Defendant employs hundreds of people and operates numerous retail stores in this district. This Court also has personal jurisdiction over Defendant because Apple has sufficient contacts with this State (and this District) and has purposefully availed itself of the privilege of conducting business in the State and in this District. Venue is thus proper in this District under 28 U.S.C. § 1391.

21. For these reasons, the District Court for the Northern District of Illinois, where this action was originally filed, also had personal jurisdiction over Defendant and venue was proper in that District.

22. This Court also has personal jurisdiction over Defendant, and venue is proper in this District, in light of the transfer of this action from the District Court for the Northern District of Illinois pursuant to 28 U.S.C. § 1407. *See In re FMC Corp. Pat. Litig.*, 422 F. Supp. 1163, 1165 (J.P.M.L. 1976) (“Transfers under Section 1407 are simply not encumbered by considerations of in personam jurisdiction and venue.”); *see also In re Agent Orange Prod. Liab. Litig.*, 818 F.2d 145, 163 (2d Cir. 1987) (explaining that in 28 U.S.C. § 1407, Congress “authoriz[ed] the federal courts to exercise nationwide personal jurisdiction”).

FACTUAL ALLEGATIONS

I. Introduction

23. Smartwatches are wrist-worn devices that tell time while extending and improving the capabilities of smartphones. Among other functions, they may allow users to collect health and fitness data that is synced to a smartphone, view and act on messages and notifications received by the smartphone, track and share location information, exercise control over a smartphone and smartphone apps, access and use a mobile wallet, and take advantage of an app ecosystem for

additional functionalities. Smartwatches are thus highly dependent on the smartphones to which they are connected.

24. Users who purchase Android smartphones—the primary alternative to iPhones in the United States—can choose from a number of competing smartwatches that connect to their Android devices while providing all of the functionality users expect from a smartwatch. Some of these smartwatches are made by Google, the developer of Android, while others are made by leading companies such as Samsung and Garmin.

25. Americans who purchase iPhones do not benefit from similarly robust smartwatch competition. As detailed below, Apple has for many years limited, disrupted, and degraded the capabilities of competitor smartwatches that connect to iOS, the iPhone operating system. Apple's tactics have caused industry giants such as Samsung to exit the market for iOS-connected smartwatches, while excluding others, such as Google and Meta, from entry altogether.

26. Those that still compete with Apple, such as Garmin, do so with one hand tied behind their back: they are forced to offer smartwatches that are less reliable and have more limited capabilities than an Apple Watch when connected to iOS—even when those same smartwatches offer comparable or superior functionality to the Apple Watch when connected to an Android smartphone. Accordingly, iPhones users who want a fully functional smartwatch have no choice but to purchase an Apple Watch.

27. Apple's conduct in the smartwatch market bears a striking resemblance to its conduct in markets for other iPhone-enhancing accessories. At first, Apple appears to allow the arrival of iOS-connected devices because they improve the iPhone user experience, provide innovative functionality, and increase demand for iPhones. But once Apple develops its own competing product, it limits or degrades the functionality of the non-Apple device, interferes with

third-party software designed to improve the non-Apple device, and otherwise discourages iPhone users from adopting the non-Apple device.

28. For example, Apple initially celebrated the creation of location-tracking tags made by Tile, which allowed users to locate physical items with an iPhone app. But when Apple developed its own location-tracking tags (called “AirTags”), Apple sent Tile users iPhone notifications encouraging them to turn off the Tile app’s tracking capabilities for privacy reasons. Apple only stopped some of this behavior after Tile’s General Counsel and Chief Privacy Officer testified about the consequences of Apple’s conduct before the House Antitrust Subcommittee in January 2020. Apple later developed an “accessory program” that gave Tile access to some of the capabilities of its location-sharing platform, but only on the condition that Tile shut down its competing location-sharing network.³

29. Similarly, Apple initially supported and collaborated with Sonos, the maker of high-quality speakers that played music controlled directly from users’ iPhones. But things changed when Apple announced its own iOS-connected speakers (called “HomePods”). Apple subsequently removed the ability to control Sonos speaker volume by pressing the iPhone’s exterior volume buttons—requiring users instead to unlock their phone, open the Sonos app, and adjust the volume level on a slide. HomePod speakers, meanwhile, can still be controlled with a single push of the iPhone’s exterior buttons.

30. Apple’s treatment of Tile and Sonos showcases the company’s willingness to employ strategies straight out of the tech monopolist’s playbook: Apple will send users distressing

³ Testimony of Kirsten Daru, Chief Privacy Officer and General Counsel for Tile, Inc., *Antitrust Applied: Examining Competition in App Stores*, Before the Senate Committee on the Judiciary, Subcommittee on Competition Policy, Antitrust, and Consumer Rights (Apr. 21, 2021).

and misleading notifications, deprive competitors of key technologies, and redesign its software platform to disrupt competitors' operations—all by exploiting its dominance over iPhone owners.

31. Apple has employed these practices—in conjunction with anticompetitive contracts—to monopolize the smartwatch market. Apple initially permitted third-party smartwatches to connect to iPhones, as they improved iPhone users' experience and made Apple's flagship product more attractive. But then, once Apple decided to enter the smartwatch market, it began using anticompetitive contracts and its control over iOS to limit, disrupt, and degrade competitor smartwatches. Apple's strategy worked. After it entered a once-diverse and growing smartwatch market, few competitors are left today.

II. Apple's Anticompetitive Conduct

32. The sections that follow detail the contractual and technical means Apple has used to monopolize the iOS-connected smartwatch market.

A. The Role of Apps on Smartphones and Smartwatches

33. Much of the iPhone's functionality is provided by “apps,” software programs that allow mobile devices to perform specific tasks. A user who wants to connect a competitor smartwatch to an iPhone must first install a smartwatch “companion app” on the iPhone, downloaded from Apple's App Store. The companion app allows competitor smartwatches to pair and exchange information with the iPhone via Bluetooth. Examples of smartwatch companion apps include the Garmin Connect app, the Fitbit app, and the Samsung Galaxy Watch app. Much of Apple's conduct to restrain smartwatch competition involves these competitor smartwatch companion apps.

34. There are two types of apps that allow smartwatches to connect with iPhones. The first, “companion” apps, are specifically designed to allow a smartwatch to pair with the iPhone (e.g., the Watch App for Apple Watch, or Garmin Connect for Garmin watches). But there are also

other apps (which this complaint will refer to as “sister” apps) that are not essential to pairing, but are designed to enhance the way the smartwatch works, or the way the smartwatch works with an iPhone. Many of these apps can also be controlled by or work in tandem with smartwatches (e.g., pausing music playing through an app on the iPhone by pushing a button in an app on the smartwatch). Sometimes these smartphone apps require installing an app on the smartwatch itself in addition to the iPhone—such as Komoot, an app for hiking, biking, and running that can be installed on Garmin devices and that functions in tandem with the Komoot app on the iPhone. Companion and sister apps for iOS and iPhone are sometimes developed by Apple but typically by third-party software developers.

35. Because competitor smartwatches depend on iOS companion apps and sister apps to allow users to access many of the features that make smartwatches useful, Apple is able to exercise control over these apps and app developers to harm smartwatch competition.

36. First, since all apps, including companion and sister apps, must be distributed on Apple’s App Store, Apple’s smartwatch competitors and developers who make apps for their products have no choice but to agree to Apple’s contracts governing iOS apps and their distribution on the App Store. As described in Part II.B below, Apple uses these contracts to limit the features competitor smartwatches can offer iPhone users, as well as to limit support for competitor smartwatches by iOS sister apps.

37. Second, as detailed in Part II.C below, competitor smartwatches’ dependency on companion apps allows Apple to introduce anticompetitive degradations to competitor smartwatches by updating and redesigning iOS software in ways that disrupt and harm competitor smartwatches and their users.

B. Apple's Anticompetitive Agreements

38. Apple requires virtually all iPhone apps not made by Apple, including all companion apps, to be distributed via the App Store. Because companion apps determine much of the scope of smartwatches' functionality, Apple has significant control over smartwatch app developers and competitor smartwatch makers, and therefore over users' smartwatch experience.

39. Apple limits iPhone app distribution to the App Store through at least two sets of restrictions.

40. First, Apple imposes a contractual restriction on third-party app developers and competitor smartwatch makers. All third-party app developers and competitor smartwatch makers must agree to the Developer Program License Agreement (DPLA). Apple will not issue a digital certificate to the developer unless it agrees to the terms of the DPLA. Accordingly, third-party developers must agree to the DPLA for access to the App Store and app distribution. Apple uses this enormous leverage to impose requirements and limitations on third-party app developers and competitor smartwatch makers. The DPLA also incorporates by reference a separate, additional set of requirements called the App Review Guidelines, which establish additional requirements for App Store distribution.

41. Second, Apple restricts consumers directly through a contract called the iOS and iPadOS Software License Agreement (iOS License Agreement), to which all iPhone users must agree. The iOS License Agreement prevents iPhone users from "sideloading," i.e., modifying their iPhones to install apps that Apple has not certified.⁴

42. These anticompetitive agreements harm iPhone users and smartwatch competition. Apple uses the DPLA to (1) prevent competitor smartwatches from connecting to the iPhone like

⁴ Android users, by contrast, can enable sideloading capabilities on their devices.

the Apple Watch does; (2) constrain competitor smartwatches from offering iPhone users critical functions, such as the ability to send and reply to text messages or control notifications; (3) enforce anticompetitive App Review Guidelines, which allow Apple to strategically delay the release of competitor smartwatches' companion apps; and (4) prevent third-party developers in their App Store listings from identifying their apps as designed for or compatible with a competitor smartwatch (e.g., restricting terms allowed in an app's metadata in ways that affect a user's search results and prohibiting pictures or descriptions of how the app works with or enhances a competitor smartwatch).

43. Apple's actions serve no rational purpose beyond suppressing competition. iPhone users would benefit from using critical functionalities (like responding to text messages) on competitor smartwatches, and from being able to find apps in the App Store that support competitor smartwatches. Yet Apple restricts iPhone users' access to these functionalities to suppress competition. Apple knows that few customers can or will abandon the iPhone just to improve the functioning of their smartwatch. Meanwhile, app developers and competing smartwatch makers have no choice but to accept Apple's terms. The alternative is to forgo distributing their apps and smartwatches to iPhone users, who comprise the majority of smartphone owners in the United States. Using these agreements, Apple can exploit its market power, sacrifice the few smartphone users it may lose as a result of its smartwatch restrictions, and foreclose competition in the vast majority of the iOS-connected smartwatch market.

44. Apple's systematic interference with the functionality of competitor smartwatches when used with iPhones has led the makers of some of the most sophisticated smartwatches on the market to stop supporting iOS. That reduces choices available to iPhone owners. And it enables Apple to charge supracompetitive prices for its smartwatches in the absence of robust competition.

1. The Developer Program License Agreement and API Restrictions

45. Anyone who wants to distribute an iPhone app on Apple’s App Store must sign the DPLA. *See* DPLA, Purpose (“Applications developed under this Agreement for iOS, iPadOS, macOS, tvOS, visionOS, and watchOS can be distributed . . . through the App Store, if selected by Apple”); Schedule 1 (“You hereby appoint Apple and Apple Subsidiaries (collectively ‘Apple’) as . . . [y]our agent for the marketing and delivery of the Licensed Applications to end-users”). The DPLA imposes restrictions on app developers and competitors by limiting their use of iOS Application Programming Interfaces (APIs).

46. An API is a set of rules, protocols, and functions—engrained in software code—that acts as a bridge between two pieces of software, allowing them to work together. APIs are ubiquitous in smartphone software: they enable a navigation app to receive and display the smartphone user’s location, a podcast app to send audio to connected headphones, and a banking app to send a push notification to confirm the user’s website login. But APIs are not wide-open portals; they also dictate what data is allowed to pass, and how that data may pass.

47. Smartwatch companion apps, including Apple’s Watch app, rely on APIs to exchange information between an iPhone and a smartwatch. Core smartwatch functions—including text messaging and notification delivery, location sharing, health and fitness tracking, and even the smartwatch Bluetooth connection—all rely on the smartwatch companion app communicating with a smartphone via APIs. In short, if a smartwatch is going to extend and enhance the functionality of a smartphone, it must exchange information with that smartphone via APIs.

48. Through the DPLA, Apple takes advantage of this reliance on APIs to limit competing smartwatches’ functionalities, including through the arbitrary designation of APIs reserved for the Apple Watch as “private” and other APIs available to competitor smartwatches as

public (or “Documented”). The DPLA limits the use of public APIs to whatever purposes Apple deems are appropriate and prohibits competitor smartwatches from accessing other private APIs. *See* DPLA § 3.3.1(A) (“Applications may only use Documented APIs in the manner prescribed by Apple and must not use or call any private APIs.”). The App Review Guidelines, incorporated into the DPLA and discussed in the next section, also require that “Apps may only use public APIs” and only “for their intended purposes.” App Review Guidelines § 2.5.1.

49. As a technical matter, there is no difference between a public API and a private API—they both allow apps to exchange data with one another or the iPhone itself. But by designating certain APIs private, and restricting use of public APIs to certain functions, Apple can pick and choose the ways in which competitor smartwatch companion apps can exchange information with the iPhone and other apps. Apple can therefore selectively limit the functionality of competitor smartwatches when paired to an iPhone. Meanwhile, the Apple Watch faces no similar restrictions. The Apple Watch relies on a number of private APIs, including APIs supporting iMessage, and uses public APIs in ways DPLA signatories are not permitted to.

50. The use of API restrictions to harm competition in smartphone-related markets is a longstanding Apple strategy. The UK’s Competition & Markets Authority has recognized that Apple “can determine the functionality available to apps through control of access to APIs,” and that Apple has “reserved access to certain hardware functionality” to itself, thereby “protecting its own services from competition and potentially restricting innovation.”⁵ In *United States v. Apple*—where the Department of Justice and 16 Attorneys General have accused Apple of monopolizing

⁵ Competition & Markets Authority, *Mobile ecosystems: Market study final report* at 6.261 (June 10, 2022), https://assets.publishing.service.gov.uk/media/63f61bc0d3bf7f62e8c34a02/Mobile_Ecosystems_Final_Report_amended_2.pdf.

the smartphone market in part through the use of strategic API restrictions—the complaint explains that “Apple selectively designates APIs as public or private to benefit Apple, limiting the functionality developers can offer to iPhone users even when the same functionality is available in Apple’s own apps.”⁶

51. One example of Apple using API restrictions to its advantage relates to internet browser competition on the iPhone. To give its own Safari internet browser an advantage, Apple for many years reserved for itself a private API that enabled faster page loading and relegated Google’s Chrome browser to an inferior API that caused pages to load more slowly.⁷ This limitation needlessly harmed iPhone users’ experience, but generated additional profits for Apple by encouraging customers to use its browser over Chrome.

52. Apple employs a number of anticompetitive limitations in the smartwatch context:

a. Apple’s Restrictions on Messaging APIs

53. Apple uses the DPLA and its control over iOS APIs to ensure that competitor smartwatches are unable to send, reply, or react to text messages when connected to an iPhone. Meanwhile, the Apple Watch has full text messaging functionality—as do the same competitor smartwatches when connected to Android smartphones.

54. Apple uses a multi-pronged strategy to block messaging on competitor smartwatches. First, Apple designates as private the APIs required to send and act on messages over Apple’s iMessage platform, foreclosing third parties’ ability to use iOS’s default messaging platform. Second, Apple restricts access to the public APIs required to send and act on SMS and

⁶ Complaint at 22, *U.S. v. Apple, Inc.*, No. 24-cv-04055 (D.N.J. Mar. 21, 2024), ECF No. 1.

⁷ Thomas Claburn, *Apple frees a few private APIs, makes them public*, The Register (June 13, 2017), https://www.theregister.com/2017/06/13/apple_inches_toward_openness/.

RCS text messages. Finally, Apple restricts smartwatch competitors from securing the ability to send and reply to text messages through private deals with cellular carriers.

(i) iMessage API Restrictions

55. Apple first hobbles competitor smartwatches by restricting their access to the APIs for iMessage.

56. iMessage is the means by which all iPhones send and receive messages with other Apple devices in the Messages app—the messaging app that comes preloaded on the iPhone. iMessage is end-to-end encrypted, offers the ability to send and receive messages on Apple devices such as tablets and laptops, and includes a variety of features iPhone owners have come to expect from a messaging service, such as text and message effects, editing sent messages, and sending high resolution photos and videos.

57. When an iPhone user wants to send or reply to a text message on an Apple Watch, the user can do so seamlessly in iMessage. This is because the Apple Watch can access private APIs for sending or receiving iMessages and send and receive text messages over the iMessage platform.

58. Yet Apple prevents competitor smartwatches from developing their own APIs or using the APIs Apple uses itself for sending and receiving iMessages, thus preventing competitor smartwatches from sending and receiving text messages via iMessage, the default iPhone messaging service.

59. Limiting smartwatch access to iMessage to only the Apple Watch serves no procompetitive purpose. It has long been technologically feasible for non-Apple devices to use the iMessage platform. Emails between Apple executives in 2013 show that Apple Senior VP Eddy Cue advocated for messaging integration with non-Apple devices, and for Apple to “make [iMessage] the industry standard” because it was “the best messaging app.” In response, Apple’s

Senior VP of Software Engineering Craig Federighi wrote that allowing third-party devices to access and integrate with iMessage would “simply serve to remove [an] obstacle to iPhone families giving their kids Android phones.”⁸ In the years since, Apple has repeatedly decided, for anticompetitive reasons, not to allow non-Apple devices to access the APIs necessary to use iMessage. In an email from March 2016, approximately one year after the release of the Apple Watch, an Apple employee described the “serious lock-in” resulting from iMessage incompatibility on non-Apple devices, calling it “the #1 most difficult” aspect of leaving the “Apple universe.” In response to this email, Apple executive Phil Schiller wrote to CEO Tim Cook that “moving iMessage to Android will hurt us more than help us, this email illustrates why.”⁹

60. Recent efforts to work around Apple’s restrictions on APIs for sending or receiving iMessages show the value users place on iMessage access, the power of the DPLA to restrict that access, and Apple’s willingness to go to extreme lengths to prevent access to iMessage. In 2023, Pebble co-founder Eric Migicovsky released an app called Beeper Mini, which enabled Android smartphone users to message with iPhone users through iMessage. As an indication of the value users place on this ability, although most popular messaging platforms are free, Beeper Mini originally charged a \$2/month subscription.

61. Beeper Mini achieved a remarkable feat: it ran Apple’s iMessage and Push Notification service on an Android device. And it allowed users to send end-to-end encrypted messages without providing Beeper Mini or any other entity access to private or sensitive information. The app garnered significant media and consumer attention. Less than a week after

⁸ Email from Senior VP of Software Engineering Craig Federighi (Apr. 8, 2013).

⁹ Email from Apple Executive Philip Schiller (Mar. 3, 2016).

its launch, Apple shut it down. Citing the DPLA, Apple blocked Beeper Mini from the App Store. Apple then reengineered iMessage to prevent other apps from using Beeper Mini's method.

62. Apple claimed that Beeper Mini posed security concerns, but those assertions were baseless.¹⁰ Beeper Mini made messaging between Android and iOS device users *more* secure by ensuring those messages were encrypted, as opposed to taking place over non-encrypted SMS messaging. Senator Elizabeth Warren made this point in a tweet about Beeper Mini: "Green bubble texts [between Android and iOS devices] are less secure. So why would Apple block a new app allowing Android users to chat with iPhone users on iMessage? Big Tech executives are protecting profits by squashing competitors."¹¹ The day after this tweet, following significant blowback, Apple allowed the Beeper Mini app to continue operating, albeit in a degraded format that prevented users from enjoying full messaging capabilities with their own phone number (forcing them to rely on their email address instead). And again, Apple reengineered iMessage to prevent other apps from using Beeper Mini's approach, which Beeper Mini had posted online. Since most text messages are directed to and sent from a user's cell phone number, Apple's email-based messaging alternative was far less valuable to users. After Apple's response, Beeper Mini canceled its \$2/month subscription charge.¹²

¹⁰ Apple has a well-established history of using alleged security concerns to impose anticompetitive restrictions. In a recent decision, a Northern District of California court found that Apple willfully failed to comply with an injunction by restricting app developers' ability to link customers to payment methods outside the App Store. As part of this ruling, the court found the "security risks" Apple claimed justified its restrictions were "pretextual" and "nothing more than after-the-fact litigation posturing or outright misrepresentations to the Court." Order Granting Epic Games, Inc.'s Motion To Enforce Injunction, *Epic Games, Inc. v. Apple Inc.*, No. 20-cv-05640-YGR (N.D. Cal. Apr. 30, 2025), ECF No. 1508 at 31, 78.

¹¹ Elizabeth Warren (@SenWarren), X (Dec. 10, 2023, 3:05 PM), <https://x.com/senwarren/status/1733956234200445130>.

¹² Eric Migicovsky and Brad Murray, *Beeper Mini Is Back*, Beeper Blog (Dec. 11, 2023), <https://blog.beeper.com/p/beeper-mini-is-back>.

63. Apple’s restrictions on access to iMessage serve no procompetitive purpose—as Apple’s own employees and internal communications described above illustrate. The Beeper Mini app presented no privacy or security concerns. Beeper Mini’s innovation would allow iPhone users with non-Apple Watch smartwatches to send and receive messages through iMessage—a valuable feature. Apple’s restrictions on competitor smartwatches’ access to iMessage ensure that those devices cannot provide iPhone users the same messaging capabilities available to Apple Watch users, artificially hampering competition in the iOS-connected smartwatch market.

(ii) SMS and RCS API Limitations

64. In addition to restricting competitor smartwatches’ ability to respond to iMessages, Apple limits competitor smartwatches’ messaging abilities in other ways too. Apple restricts access to public APIs for SMS and RCS text messaging to ensure that competitor smartwatches also cannot send or reply to text messages *outside* the iMessage platform.

65. SMS and RCS are widely adopted international text messaging protocols that establish a unified system for exchanging messages between devices. One or both of the protocols are supported by most smartphones and smartwatches in the United States. iPhone users most commonly send SMS and RCS messages when communicating with Android smartphone users in the iPhone Messages app—resulting in the familiar “green bubbles” in the iPhone Messages app since Android devices also cannot send messages over iMessage. Similarly, if an iPhone user turns off iMessage, the iPhone sends and receives text messages via SMS or RCS through the Messages app.

66. Apple locks competitor smartwatches out of SMS and RCS messaging through a pair of API restrictions. First, Apple prevents third-party developers and competitor smartwatch makers from developing or using SMS and RCS messaging APIs. This prevents third-party apps from offering alternative full-service SMS and RCS messaging services on the iPhone. Second,

Apple restricts use of APIs for the Messages app such that competitor smartwatches connected to an iPhone cannot send SMS or RCS messages via the Messages app. Together, these API restrictions ensure that competitor smartwatches cannot send or reply to text messages received on the iPhone.

67. There is no procompetitive justification for these restrictions. Android devices operate smoothly and securely without restricting third-party apps from using APIs to provide full-service SMS messaging—and without restricting third-party smartwatches from accessing APIs to send and reply to text messages via smartphone default messaging apps. In other words, Android devices thus provide multiple avenues through which Android-connected smartwatches can integrate with SMS and RCS messaging platforms in order to send and reply to text messages. Apple has the technological capacity to do the same, but chooses not to for anticompetitive reasons. During his deposition in *Epic Games v. Apple*, Apple Senior VP Eddy Cue acknowledged that Apple could have long ago enabled “cross-compatibility with the iOS platform so that users of both platforms would have been able to exchange messages with one another seamlessly,” but that Apple decided against doing so.¹³

(iii) Cellular-Connected Smartwatch Restrictions

68. Faced with Apple’s onerous restrictions, but recognizing the importance of text messaging functionality on smartwatches, competing iOS-connected smartwatch makers have at times tried to provide text messaging functionality to their users by negotiating deals directly with cellular carriers. By working with cellular carriers directly, competitor smartwatches aim to provide their users the ability to send and reply to text messages over the cellular network—

¹³ Findings of Fact and Conclusions of Law Proposed By Epic Games, Inc., *Epic Games, Inc. v. Apple Inc.*, No. 4:20-cv-05640-YGR-TSH (N.D. Cal. Apr. 7, 2021), ECF No. 407 at 15.

without relying on the iPhone to send and receive the messages. If feasible, such arrangements with cellular carriers can also enable competitor smartwatches to send and reply to text messages when not in close proximity to an iPhone. This allows users to leave their cell phone at home and rely on only their smartwatch for basic communication and other tasks.

69. Consumers clearly value this capability. A substantial portion of Apple Watch users choose to pay an additional \$50-100 for a cellular-enabled Apple Watch. These users must then also pay approximately \$120 per year to cellular carriers in additional data charges to maintain that cellular capability.

70. Even when competing smartwatch makers manage to navigate the onerous process of negotiating separate deals with cellular carriers, however, Apple's API restrictions interfere with their ability to provide valuable text messaging features to users with iPhones.

71. The first competitor smartwatch to attempt a cellular-connected smartwatch was Pebble. In November 2015, it announced a partnership with AT&T to allow iPhone users with Pebble Time smartwatches to dictate voice replies to text messages received on their iPhone. Yet Apple's API restrictions meant that sent messages would not appear in the iPhone Messages app after being sent, and the feature could not be used to reply to group messages. Pebble went out of business in 2016, not long after negotiating this workaround to Apple's restrictions.

72. In 2019, Garmin released Vivoactive 3 Music Cellular/LTE smartwatch in partnership with Verizon. It was the first Garmin device to give iPhone users the ability to send text messages and reply to text messages they received. Garmin's cellular capability would have allowed its users to send and reply to text messages when they did not have their iPhone with them. Garmin's user base includes many runners and endurance athletes, making this capability especially important. Many runners, hikers, swimmers, cyclists, and other endurance athletes need

to be able to set off on long workouts and not bring their iPhone along, while retaining the ability to make calls and send text messages.

73. Android users with Verizon as their cellular carrier could use the Vivoactive 3 Music Cellular/LTE to send and reply to text messages seamlessly, on the same cell phone number, whether their Android smartphone was nearby or not. Yet Apple's API restrictions, and additional barriers built into the design of iMessage, meant that iPhone users would have to *turn off iMessage* if they wanted to use the phone number associated with their iPhone to send or reply to text messages on their Garmin smartwatch. iPhone users frequently do not know how to turn off iMessage. And as explained below, turning off iMessage is not an attractive option even if they do. But as with Pebble, unless users turned off iMessage, Apple's API restrictions prevented messages sent from a Garmin smartwatch from appearing on the paired iPhone. And Apple's design of iMessage further restricted Garmin's smartwatch by rendering nearly useless the ability to send or reply to messages while away from the iPhone. Specifically, Apple engineered iMessage to "claim" the phone number associated with the iPhone in such a way that text messages to that number would be delivered to iMessage (and thus the iPhone) only. This additional change meant that Garmin customers with iPhones could send text messages while away from their iPhones, but *replies* to those text messages would not be delivered to the smartwatch.

74. Due to Apple's restrictions, Garmin was forced to offer its users a choice: either "turn off the iMessage[] service" or "set[] up your watch to send and receive text messages with a separate watch phone number."¹⁴ This is the choice third-party iOS-connected smartwatches must offer their users today if they want those users to be able to send and reply to text messages. In

¹⁴ Garmin, *I'm a Verizon customer with an iPhone device*, <https://www8.garmin.com/manuals/webhelp/vivoactive3musicLTE/EN-US/GUID-DE0568CA-B4B5-42E1-B6E5-5DD4651A08FD.html>.

other words, as a result of Apple's messaging restrictions, Garmin and other iOS-connected smartwatch makers cannot provide their users with the ability to use their phone number to send text messages—even with a data plan negotiated directly with a cellular carrier—unless the user also turns off iMessage.

75. Critically, turning off iMessage does not require merely shutting off iMessage on the iPhone and converting the Messages app to an SMS or RCS texting app; it requires shutting off iMessage on *any of the user's other devices*—eliminating iPhone owners' ability to send iMessages from an iPad, MacBook, or other Apple device.

76. In light of all the barriers Apple has historically erected and continues to erect in messaging between iMessage and non-iMessage users—including limiting group text functionality and text reactions, defaulting messages to non-encrypted, and reducing the quality of multi-media messages—iPhone users do not want to abandon Apple's default messaging platform on any device, let alone all of their devices. Following a review of the Garmin Vivoactive 3 Music Cellular/LTE on a leading wearable technology blog, one commenter wrote:

I'm sorry, but this is a HUGE issue. You then have to turn off iMessage on your macbook and ipad too. ALL of them, if you have more. But to be fair to Garmin, it's more a flaw in iMessage.¹⁵

77. The only alternative for Garmin users with iPhones was to choose a new cell phone number for making calls and sending messages from their iOS-connected smartwatch. This is not a viable alternative, since it requires users to maintain and share two cell phone numbers, maintain separate conversations across two devices, and eliminates the ability of the smartwatch to substitute for some functionalities of the smartphone.

¹⁵ DC Rainmaker, *First Look: Garmin Vivoactive 3 Music Cellular/LTE (for Verizon)* (Jan. 7, 2019), <https://www.dcrainmaker.com/2019/01/vivoactive-cellular-verizon.html>.

78. Apple's restrictions on phone-number sharing and on texting from a non-Apple smartwatch substantially encumbered Garmin's Vivoactive 3 Music Cellular/LTE. Ultimately, Garmin never again secured a contract with a cellular carrier to bring iOS-connected smartwatch owners the ability to send and reply to text messages.

79. Apple's interference with phone-number sharing and the difficulties it presents do not affect the Apple Watch. A user of a cellular Apple Watch has a fully integrated text messaging experience: she can send and receive messages on her Apple Watch, regardless of where her iPhone is, and the messages appear simultaneously on her iPhone. Yet to this day, Apple's messaging restrictions prevent competing smartwatch makers from providing users with cellular-enabled smartwatches, since those watches cannot provide iPhone users the ability to send text messages in a manner that would be acceptable to consumers.

80. There is no procompetitive justification for Apple's restrictions on messaging from a shared phone number. As explained above, the underlying API restrictions with respect to SMS, RCS, and iMessage messaging are not justified on any technological or privacy basis. Instead, Apple has pursued and preserved these restrictions for expressly anticompetitive reasons. Meanwhile, Apple allows an iPhone owner to use the same cell phone number for calls and text messages from her Apple Watch that she uses for calls and text messages from her iPhone. Phone-number sharing is available on third-party smartwatches connected to Android smartphones, yet Apple chooses to preserve these restrictions in order to prevent competing smartwatches from offering users the same capabilities the Apple Watch provides.

(iv) Apple's Messaging API Restrictions
Foreclosed Competition from Competitor
Smartwatches

81. Apple's interference with basic smartwatch messaging functionality has harmed iPhone users and competing smartwatch makers.

82. *Apple’s messaging restrictions harmed competition from Fitbit.* Fitbit, the maker of a popular fitness tracker, developed its first smartwatch in 2017. In subsequent years, it developed a series of well-regarded smartwatches compatible with both the iPhone and Android smartphones. In 2018, Fitbit released the Versa. It was \$199 (the Apple Watch Series 4 released that year cost \$399), offered four days of battery life (the Apple Watch Series 4 offered 18 hours), and was described as lightweight and comfortable (the Apple Watch is often criticized for being relatively heavy and uncomfortable). But Apple’s messaging restrictions limited the Versa’s functionality, and thus its appeal to iPhone owners. In a 2018 review of the Versa, technology news source The Verge wrote: “Text message notifications from iOS, in particular, are frustrating. They’re not remotely actionable on the watch, meaning there’s no way to respond to them.”¹⁶

83. Fitbit made it clear that iPhone users’ inability to respond to messages was the result of Apple’s restrictions, not its own choices or technical limitations. After the Versa’s release, a user on Fitbit’s official forum asked, “Will the Versa text message reply options ever work with iPhone? Or will that remain an Android only feature?” A Fitbit forum moderator explained that Apple restricted Fitbit from offering its users the ability to respond to text messages received on the iPhone:

We are working with partners to find ways to bring quick text replies to messaging apps for iOS . . . we hope to share more on this in the future. We’d love to be able to offer quick text replies to our iOS users now, but Apple operates a closed ecosystem that doesn’t allow us to deliver this feature at this time.¹⁷

¹⁶ Lauren Goode, *Fitbit’s Versa is its best smartwatch yet*, The Verge (Mar. 26, 2018), <https://www.theverge.com/2018/3/26/17163210/fitbit-versa-smartwatch-review-wearable-tech-apple-watch>.

¹⁷ Fitbit Community, *Versa text replies and iPhone*, <https://community.fitbit.com/t5/Other-Versa-Smartwatches/Versa-text-replies-and-iPhone/m-p/2621821>.

84. This limitation that Apple imposed has continued to plague Fitbit smartwatches. In 2021, Fitbit was acquired by Google. The company's next smartwatch, the Sense 2, was released in Fall 2022 and was compatible with iPhones and Android smartphones alike. The Sense 2 was approximately \$100 cheaper than the Apple Watch Series 8 released in September 2022. The Sense 2 also included a number of valuable features not available on the Apple Watch, such as continuous stress tracking, five days of battery life (more than five times longer than the Apple Watch Series 8), and integration with Amazon Alexa and Google Assistant. A 2022 PC Magazine review of the Fitbit Sense 2 praised many of its features and gave the device four stars. But the review observed that, unlike Android users, iPhone users could not respond to text messages on the Sense 2, adding that—as a result—for iPhone users specifically wanting “robust calling and messaging features,” their “best bet” would be the Apple Watch.¹⁸

85. *Apple's messaging restrictions harmed competition from Garmin.* In a 2021 review, The Guardian described Garmin's Venu 2 smartwatch as a “slick, attractive smartwatch that offers world-class fitness features and still lasts longer than big-name competitors such as the Apple Watch.”¹⁹ The review observed, however, “You can send quick replies to message notifications when the watch is connected to an Android phone, but not an iPhone.”²⁰

86. *Apple's messaging restrictions harmed competition from Samsung.* The inability to send and reply to text messages also placed Samsung smartwatches at an immense disadvantage when competing to win over iPhone users. Before 2021, Samsung produced iOS-compatible

¹⁸ Angela Moscaritolo, *Fitbit Sense 2 Review*, PC Magazine (Oct. 25, 2022), <https://www.pcmag.com/reviews/fitbit-sense-2>.

¹⁹ Samuel Gibbs, *Venu 2 review: can Garmin make a good smartwatch?*, The Guardian (July 5, 2021), <https://www.theguardian.com/technology/2021/jul/05/venu-2-review-can-garmin-make-a-good-smartwatch>.

²⁰ *Id.*

smartwatches that reviewers widely praised. Technology reviewer Tom's Guide described Samsung's Galaxy Watch Active 2 as "a worthy Apple Watch rival."²¹ The device retailed for \$150 less than the Apple Watch Series 5, was described as more "stylish and elegant," and it had more than twice the Apple Watch's battery life.²² Samsung improved on other Apple Watch features as well. Tom's Guide praised the Galaxy Watch 3, for instance, for having a keyboard that provided far superior text input than the Apple Watch.²³ Yet users could not use this keyboard to send or reply to text messages if they had an iPhone. Samsung explained on its website that "[s]end and reply functions" were "not supported" due to "compatibility limitations" on iOS.²⁴

87. The effect of this messaging restriction on the Galaxy Watch's ability to compete for iPhone users is apparent from reviews at the time. In a positive review of the Galaxy Watch 3, The Verge explained:

If you're hoping to use the Watch 3 with an iPhone, my suggestion is: don't. The messaging experience is poor, and the watch will just do fewer things than when it's connected to an Android device. Just get an Apple Watch.²⁵

88. This is precisely the review Apple counts on when it limits competitor smartwatch capabilities. Samsung promised to pose a significant challenge to Apple's dominance in the market for iOS-connected smartwatches, yet Apple's restrictions meant that Samsung smartwatches were

²¹ Caitlin McGarry, *Samsung Galaxy Watch Active 2 review*, Tom's Guide (last updated Aug. 11, 2021), <https://www.tomsguide.com/reviews/samsung-galaxy-watch-active-2>.

²² *Id.*

²³ Kate Kozuch, *Samsung Galaxy Watch 3 review*, Tom's Guide (last updated Oct. 12, 2022), <https://www.tomsguide.com/reviews/samsung-galaxy-watch-3>.

²⁴ Samsung, *Samsung Galaxy Watch not receiving message notifications from iPhone*, <https://www.samsung.com/us/support/troubleshooting/TSG01202131/>.

²⁵ Dan Seifert, *Samsung Galaxy Watch 3 review: time for a change*, The Verge (Aug. 14, 2020), <https://www.theverge.com/21368752/samsung-galaxy-watch-3-review-price-specs-features>.

a disappointment for iPhone users, and they failed to gain traction. In 2021, Samsung launched the Galaxy Watch 4 and stopped supporting iOS compatibility.

89. *Apple's messaging restrictions harmed competition from Google.* Google has long been the developer of Wear OS, the largest smartwatch operating system outside Apple's operating system for the Apple Watch. Motorola, Samsung, Fossil, and many other smartwatch manufacturers have used Wear OS as the foundation for some or all of their smartwatches.

90. At first, Wear OS was not compatible with iOS, a decision Google blamed on Apple's API restrictions. In 2014, Google product manager Jeff Chang told the Huffington Post that Google was interested in expanding to iOS, but explained, "It's not always completely up to us right? There are technical constraints, API constraints so we are trying really hard." He added, "We would love to have [Wear OS] reach as many people as possible but I'll just say that it's not 100 per cent under our control."²⁶ As a result of these limitations, the earliest Wear OS smartwatches from Samsung and other manufacturers were also not iOS-compatible.

91. In 2015, Google made Wear OS compatible with iOS and released an iOS app that enabled Wear OS devices to connect to iPhones. Yet as a result of Apple's messaging API restrictions, as well as other restrictions and conduct discussed in this complaint, iOS-connected Wear OS devices struggled. In a 2017 article, The Verge explained these limitations and attributed them to Apple policies:

Android smartwatches have worked with the iPhone for a year and half now, but with extremely limited functionality. Those limitations come mainly from Apple policies: no access to iMessage replies and difficulties getting third-party apps and faces on the watch.²⁷

²⁶ Thomas Tamblyn, *Android Wear For iOS Not Ruled Out Hints Google Exec*, The Huffington Post UK (Oct. 23, 2014), https://www.huffingtonpost.co.uk/2014/10/23/google-android-wear-ios_n_6035512.html.

²⁷ Dieter Bohn, *Android Wear with an iPhone still can't compete with the Apple Watch*, The

92. The Verge went on to explain that, with the 2017 release of Wear OS 2.0, Google had sought to “run[] around” Apple’s “roadblocks to features” with technical improvements, including installing an app store directly on Wear OS devices. The trouble, the article observed, was that “for everything that works, there are several things that really don’t.” It went on to emphasize the fact that Apple was choosing *by policy* to restrict non-Apple smartwatches from “access[ing] iMessages beyond seeing incoming notifications arrive.”²⁸ The article concluded bluntly:

If you’re interested in a smartwatch paired to an iPhone, there’s only one question: why should you get something besides the Apple Watch? For [Wear OS], the answer is the same today as it was 18 months ago: if you want a round watch instead of a square one. That’s kind of it. . . . I will happily grant that Google is facing an uphill battle trying to get [Wear OS] working with what is essentially a hostile platform – iOS – one that’s not at all interested in making life easy for third-party smartwatches. . . . I prefer round watches, but not as much as I prefer having a smartwatch that doesn’t remind me of its profound limitations every time I get a notification.²⁹

93. Google did not actually manufacture its own Wear OS smartwatch until 2022, when it launched the Pixel Watch on Wear OS 3. The Pixel Watch received positive reviews—it was less expensive, more comfortable, and had longer battery life than an Apple Watch, and it was described by one Wired reviewer as “arguably the prettiest full-featured smartwatch I’ve ever seen.”³⁰ Yet the Pixel Watch was not iOS-compatible.

Verge (Feb. 21, 2017), <https://www.theverge.com/2017/2/21/14678288/android-wear-2-0-iphone-review-apple-watch>.

²⁸ *Id.*

²⁹ *Id.*

³⁰ Julian Chokkattu, *Google’s Long-Awaited Pixel Watch Is Finally Here*, Wired (Oct. 6, 2022), <https://www.wired.com/story/google-pixel-watch-features-release-date-price/>.

94. Google publicly stated that it decided not to compete with Apple in the iOS-connected smartwatch market due to Apple’s messaging API restrictions. When asked on a media call why the Pixel Watch would not be iOS-compatible, Google reportedly explained that “the main reason was that they didn’t feel like they could get the integration they wanted, due to Apple’s lack of API for the messaging (both models) and phone number sharing pieces specifically (cellular models).”³¹

95. The decision by Google—one of the largest and most sophisticated tech companies in the world—not to compete in the iOS-connected smartwatch market shows the effectiveness of Apple’s interference with APIs, messaging APIs in particular, on even the most promising and well-resourced potential competitors. If Google cannot offer users a full-featured smartwatch, then many device manufacturers will simply choose not to compete with the Apple Watch. The result is that many of the most sophisticated smartwatches on the market are no longer iOS-compatible, reducing the choice available to iPhone users and enabling Apple to charge supracompetitive prices in the absence of robust competition.

b. Apple’s Restrictions on Notification APIs

96. Smartwatches display notifications that, in the absence of interference, permit users to quickly and conveniently receive and respond to prompts (e.g., calendar invites, news alerts, or rideshare updates). Users consider notifications to be among their smartwatches’ most important features. Notifications devolve into nuisances, however, if the user cannot select the types they want to exclude (e.g., social media activity and promotional offers), or cannot act on the notifications that they receive (e.g., calendar invites or two-factor authentication requests). Apple

³¹ DC Rainmaker, *Google’s Pixel Watch Hands-On: Here’s What You Need to Know* (Oct. 6, 2022), <https://www.dcrainmaker.com/2022/10/googles-pixel-watch.html>.

understands this dynamic and takes advantage of it, utilizing the DPLA to strategically prevent competitors from accessing the APIs that would allow their smartwatch users the same type of control over notifications available to Apple Watch users.

(i) Apple blocks notification tailoring for competitor smartwatches

97. Smartphones today are flooded with notifications. Apple Watch users have long enjoyed curation tools that permit them to channel the firehose of notifications to which smart device users are commonly subjected. They can choose to block notifications from specific apps while allowing others through. They can customize their notifications so that some go only to their iPhone and others go only to their Apple Watch (rather than having to choose both or neither). And they can stop their Apple Watch from receiving notifications while their iPhone is unlocked (so that their wrist is not buzzing and chirping to notify them of updates that they are already seeing on their iPhone).

98. Competitor smartwatches are unable to tailor app or message notifications depending on whether the home screen of the iPhone is locked or unlocked, nor can users of competitor smartwatches set notifications to be delivered to the smartwatch only in particular circumstances. Competitor smartwatch users regularly complain that they receive iPhone notifications on their smartwatches even while they are staring at their iPhone. Third-party smartwatch users must receive every notification on the iPhone in addition to their smartwatch, causing them to hear double the dings, rings, and vibrations for every app or message notification when notifications on both devices are turned on.

99. Apple restricts competitor smartwatch users from tailoring *which* apps deliver notifications to an iOS-connected smartwatch. As a result, owners of competitor smartwatches, such as Garmin smartwatches, are forced to withstand a torrent of irrelevant app notifications on

their smartwatch. The only alternative is to turn off notifications for a given app *on the iPhone*—which is not an option for many iPhone users and many apps.

100. Each of these notification-tailoring API restrictions harms smartwatch competition. Garmin smartwatch users frequently complain about Apple’s restrictions. As one Garmin user on the Garmin Fenix Reddit forum wrote:

I recently bought Garmin 6X Pro and I am really annoyed when I use my phone (it’s unlocked) and still receive notifications on my watch too. Is there any way how to mute notifications on my watch when phone (iphone, ios 14) is unlocked like it’s set on apple watch?

Also is there anyway how can I mute notifications on locked phone and receive them only on my watch? I.e. Same thing like on apple watch. Currently I receive notifications on my phone and then on my watch 1 sec later. That’s quite annoying if I have phone on the desk and I receive two notifications of same thing.³²

101. The top comment summarized the source of the problem succinctly: “Apple handicaps the notification system to a Garmin device. . . . It’s really awful and this is 1000% better on Android.”³³ The Android operating system enables users to tailor the delivery of notifications to their smartwatch, including based on whether the smartphone is locked or unlocked.

102. Another Garmin user posted to Reddit in 2023 to complain about the inability to limit app notifications: “My watch vibrates all the time due to recieving [*sic*] the same notifications my phone does, instagram, news etc. [*sic*] Is it possible to choose which notifications I want to receive?”³⁴ The top commenter responded, “On an iPhone, it’s an all or nothing choice.”³⁵ The

³² Reddit, *How to mute notifications on 6X pro while I use my phone?*, https://www.reddit.com/r/GarminFenix/comments/kqixf0/how_to_mute_notifications_on_6x_pro_while_i_use/.

³³ *Id.*

³⁴ Reddit, *How do I stop my watch from receiving all the same notifications my iPhone does?*, https://www.reddit.com/r/Garmin/comments/1593om9/how_do_i_stop_my_watch_from_receiving_all_the/.

³⁵ *Id.*

next commenter wrote, “Sorry but no. This is the feature I hate the most.”³⁶ Posts on other Reddit forums repeat the same sentiment: “[T]his is dreadful. i just moved from android to iphone. i definitely do not want all my notifications on my watch, just a few important ones. i could customise that on android. . . . is this another way apple tries to move people to their own watch rather than garmin[?]”³⁷

(ii) Apple blocks actionable notifications for competitor smartwatches

103. Apple also restricts access to APIs that allow users to act on notifications they receive. Without the ability to quickly act on a notification, receiving the notification on the smartwatch is significantly less valuable, as the user must still take out the smartphone to handle it. The inability to take action on notifications has long harmed smartwatch competition.

104. The problems were captured in a 2015 review of the Pebble Time smartwatch on technology website ZDNet:

Paired with the Asus ZenFone 2, which runs Android 5.0, Pebble Time is handy. I’ve responded to incoming texts by voice and canned answers and I’ve triaged email by archiving useless messages. Then I switched phones. As soon as I put my SIM card in an iPhone 6 for some app testing and then paired the Pebble Time, it was like I was wearing a completely different smartwatch, and not in a good way. Gone were mostly all notification actions, save for the ability to dismiss them. No more replying to texts, either by voice or by pre-programmed responses. . . . [T]rying to use the Pebble Time with an iPhone – especially after using it with an Android handset – was like being woken by someone dumping a bucket of cold water [on] my head. To say it’s been frustrating is an understatement. In fairness, I can’t really blame Pebble here. . . . All of the “missing” notification actions on the Pebble Time, for example, are readily available on the Apple Watch. Pebble might be able to add some of these features in the future, but only if Apple’s software allows for it.³⁸

³⁶ *Id.*

³⁷ Reddit, *Notification settings for garmin watch/iPhone*, https://www.reddit.com/r/Garmin/comments/slyqtp/notification_settings_for_garmin_watchiphone/.

³⁸ Kevin Tofel, *Pebble Time and Android? Great! With an iPhone, not so much*, ZDNet (June 12,

105. The reviewer predicted that Pebble’s experience was “a precursor” to what would happen if Google added iOS support for smartwatches on its Wear OS platform: “You won’t likely get the full smartwatch experience there either.”³⁹

106. The harm from Apple’s interference with actionable notifications continues today. In 2024, Pebble founder Eric Migicovsky reached an agreement with Google to make the PebbleOS mobile operating system open source so that he could relaunch Pebble devices. In 2025, Migicovsky relaunched Pebble under the name Core Devices LLC. In a post discussing the launch, he explained that Pebble would develop an iOS companion app (and agree to the DPLA restrictions that entails) because a large percentage of the people who expressed interest in purchasing his new Pebble devices own iPhones.⁴⁰ Migicovsky acknowledged that, no matter what Core Devices does, “Apple systematically makes it nearly impossible for 3rd party wearable developers to build a smartwatch experience comparable to Apple Watch experience.”⁴¹ Among the limitations Migicovsky cited was the fact that it is “impossible” for a third-party smartwatch to “perform actions on notifications (like dismissing, muting, replying).”⁴²

107. There is no procompetitive justification for Apple’s decision to restrict the ability of third-party smartwatch users to tailor or take action on notifications. It is technologically feasible for Apple to enable these functionalities, as it has for the Apple Watch. Indeed, competitor smartwatches have these functionalities when connected to Android smartphones. Apple could

2015), <https://www.zdnet.com/article/pebble-time-with-android-vs-iphone-ios/>.

³⁹ *Id.*

⁴⁰ Eric Migicovsky, *Apple restricts Pebble from being awesome with iPhones* (Mar. 17, 2025), <https://ericmigi.com/blog/apple-restricts-pebble-from-being-awesome-with-iphones>.

⁴¹ *Id.*

⁴² *Id.*

enable these functionalities with no additional engineering effort—it would only need to permit access to its already-existing APIs. Like all of the restrictions discussed herein, Apple’s decision to limit notification APIs harms *its own iPhone customers* with competitor smartwatches, and provides no conceivable benefit beyond coercing those users to purchase Apple Watches instead of competing smartwatches.

c. Apple’s Restriction on Wallet APIs

108. Mobile wallets have become a core feature of smartphones. iPhone owners use Apple’s mobile wallet (“Apple Wallet”) to store and use credit cards, transit cards, boarding passes, concert tickets, student IDs, government IDs, gift cards, membership cards, and a variety of other essential items. A number of states allow residents to store and present their driver’s license or state ID using Apple Wallet. Users can even present their license and boarding pass at certain TSA checkpoints using Apple Wallet.

109. The Apple Watch is integrated with an iPhone user’s Apple Wallet by default, such that users can seamlessly call up the Wallet’s contents onto their Apple Watch. Apple Watch users can quickly and easily use their watch to pay for coffee, enter the subway, or board a flight. In addition to providing easy access to important cards and tickets, a mobile wallet on a smartwatch can allow an iPhone user to access payment cards and important documents when leaving their iPhone at home, such as on a long run—or in the event their iPhone is out of battery, lost, or stolen.

110. Samsung and Google both make mobile wallets that work on smartphones and smartwatches alike. As evidence of the importance of mobile wallets for smartwatches, even Garmin—which does not make smartphones and has a far smaller user base—invested the significant resources required to develop a mobile wallet infrastructure called “Garmin Pay” that is available on its smartwatches.

111. With respect to mobile wallets, Apple has once again used iOS API restrictions, enforced through the DPLA, to hobble its competitors. Apple historically restricted the availability of key mobile wallet APIs—including APIs related to near-field communication (NFC) hardware—so that developers could not distribute competing mobile wallet apps to iPhones. The result of this restriction was that iPhone users who had Garmin, Samsung, or Google mobile wallets on their smartwatches could not have the same wallets on their iPhone. This prevented Apple Watch competitors from offering the same sort of integrated mobile wallet solution to iPhone users that the Apple Watch provides.

112. The refusal to allow mobile wallet apps API access on the iPhone means that a competitor smartwatch can offer a mobile wallet service only where an iPhone user will have to enter all payment cards, transit cards, tickets, and other documents twice—first in Apple Wallet on her iPhone and again in the third-party mobile wallet on her smartwatch. In some cases, transit systems do not permit a user to add a transit card to multiple digital wallets, forcing the user to purchase a new transit card and go through the (often roundabout) process of connecting that transit card to her mobile wallet. And because these mobile wallets are not on the iPhone as well, they cannot readily offer the ability to scan a government ID into the wallet, meaning that Garmin and other Apple Watch competitors are unable to offer iPhone users the ability to store an ID on their smartwatch.

113. There is no procompetitive justification for this API restriction. There was no technical, privacy, or security reason why Apple could not permit access to NFC and other private APIs necessary for a third-party mobile wallet app to function just as the Apple Wallet does, for the benefit of Apple's own iPhone users with competitor smartwatches. Indeed, in August 2024—following regulatory pressure from the European Commission and the filing of this case, *U.S. v.*

Apple, and the associated MDL litigation—Apple announced that it would be providing developers access to the NFC API beginning with iOS 18.1, which was released in March 2025.

2. The App Review Guidelines

114. In addition to cementing Apple’s API restrictions, the DPLA also requires parties to agree to comply with Apple’s App Review Guidelines, a separate set of requirements that govern Apple’s review of apps for distribution on the App Store. *See, e.g.*, DPLA § 6.3 (“You acknowledge that Apple may cease allowing download by end-users of some or all of the Licensed Applications, or take other interim measures in Apple’s sole discretion, if Apple reasonably believes, based on human and/or systematic review, and, including without limitation upon notice received under applicable laws, that . . . [y]ou have violated the terms of the Agreement, this Schedule 1, or other documentation including without limitation the App Review Guidelines”). As discussed above, every maker of iOS-connected smartwatches must sign the DPLA because Apple requires companies to sign the DPLA before distributing apps through the App Store, and Apple requires users of competitor smartwatches to download a smartwatch companion app from the App Store in order to fully connect their smartwatch and keep it connected to the iPhone. Apple uses this power to review third-party smartwatch companion and sister apps to limit competition with the Apple Watch.

a. Apple Uses App Review To Undermine and Delay the Launch of iOS Companion Apps for Competitor Smartwatches

115. Apple has historically used its ability to approve or reject third-party apps under the App Review Guidelines to delay the launch of smartwatch competitors’ companion apps, preventing them from competing for iPhone users.

116. This first occurred around the time of the first Apple Watch release: Apple refused to approve the Pebble Time iOS app ahead of the launch of the Pebble Time smartwatch, just

weeks after the release of the Apple Watch, despite the absence of problems with the Pebble Time app. As one technology website explained, “Despite its official release at the end of May [2015], Pebble’s new Pebble Time watch [was] not yet fully functional for iPhone users” one week after its release, “as its required iOS synchronization app [was] not yet available in the App Store.”⁴³

117. Citing the dates it submitted its app to the App Store, Pebble claimed that Apple intentionally delayed the app’s approval and described the delay as “obstruction” designed by Apple to undermine Pebble’s competing smartwatch.⁴⁴ Shortly after this delay was widely reported, and Pebble users began criticizing Apple on Twitter, Apple approved the Pebble Time app.⁴⁵

b. Apple Restricts the Discoverability of Sister Apps Designed for Competing Smartwatches

118. Apple has also used the App Review Guidelines to limit support for competitor smartwatches by iOS sister apps, and to limit the discoverability of those few iOS sister apps that opt to support competitor smartwatches despite Apple’s restrictions.

119. Apple’s App Store Guideline 2.3.10 provides, “Make sure your app is focused on the iOS, iPadOS, macOS, tvOS or watchOS experience, and don’t include names, icons, or imagery of other mobile platforms in your app or metadata, unless there is specific, approved interactive functionality. Make sure your app metadata is focused on the app itself and its experience.”

⁴³ Mark Gurman, *Pebble blames Apple for delayed iOS Pebble Time app as first backers receive watches*, 9to5Mac (June 3, 2015), <https://9to5mac.com/2015/06/03/pebble-blames-apple-for-delayed-ios-pebble-time-watch-app-as-first-backers-receive-watches/>.

⁴⁴ *Id.*

⁴⁵ *Id.*

120. This restriction makes it harder for iOS device users with third-party smartwatches to find in the App Store apps that support, or simply work well with, their smartwatch. Metadata is essential for discovery of any app. App metadata provides the keywords that users might search for to discover a particular app. For instance, the Starbucks app might include “coffee” in its app store metadata to ensure that customers searching for coffee-related apps find its app, even though coffee is not in the name and may not even feature significantly in the app description. In the same way, a third-party sister app that provides valuable functionality with Garmin smartwatches, for instance, is restricted by Apple from “focus[ing]” on this fact in metadata to ensure that Garmin smartwatch users find the app at issue.

121. Apple’s App Store Guideline 2.3.10 also enables Apple to dictate the content of App Store listings to prevent iPhone users from finding apps that, while focused on the iPhone or even the Apple Watch, will seamlessly integrate with or otherwise support a competitor smartwatch as well. This includes preventing third-party apps from showing pictures of how they work on iOS-connected smartwatches other than the Apple Watch.

122. Guideline 2.3.10 substantially limits the incentive of developers to build sister apps that work closely with competitor smartwatches. Since developers cannot advertise this fact in their app store listings or metadata, they have little hope of being found by users of the competitor smartwatch for which their app is designed. For instance, consider a developer who wants to build an app that integrates Garmin health and fitness data with daily readings from a leading electronic scale to provide users with unique insights or exercise encouragement. This app has no means of advertising to users that it works well with Garmin smartwatches (or the electronic scale) without being at risk of being kicked off the App Store. Few developers are willing to invest the time and money required to develop an app that is unlikely to make it into customers’ hands.

123. There is no legitimate procompetitive justification for these restrictions; instead, Apple is simply using its control over the App Store to limit competition from Apple Watch competitors. Indeed, in a 2016 email, Apple’s Elizabeth Lee wrote that VP Matt Fischer, who is responsible for Apple’s App Store, “feels extremely strong about not featuring our competitors on the App Store.”⁴⁶

124. Apple’s restrictions on App Store listings harm consumers. Apple Watch users can take advantage of App Store metadata to search for Apple Watch-compatible apps, such as fitness apps that import and display fitness data collected from an Apple Watch. App Store listings for these iPhone apps frequently include images that show the screen displays for their associated Apple Watch apps and describe in detail how information is exchanged between the Apple Watch and the iPhone. This means that users can not only more readily discover and evaluate Apple Watch-compatible iPhone apps, but users also learn about an iPhone app’s Apple Watch compatibility *incidentally*, thereby increasing interest in owning or using an Apple Watch.

125. iPhone users who purchase competitors to the Apple Watch enjoy none of these benefits. Apple’s App Store Guidelines entitle Apple to remove an iPhone app listing for merely mentioning a competing smartwatch in App Store metadata so that the app is easier to find (e.g., by searching “Garmin-compatible fitness apps”), for including a picture of how the competing smartwatch companion app will appear to users, or for describing the app’s interoperability with competing smartwatches.

126. Even if Apple never enforced this policy, its existence chills third-party software developers from promoting their apps’ capacity to integrate with competitor smartwatches. Moreover, Apple *has* enforced this App Store policy, thereby ensuring that few third-party

⁴⁶ Email from Elizabeth Lee (May 31, 2016).

developers are willing to take the risk of violating it. In the same month Apple released the Apple Watch, it began blocking updates in the App Store for apps that had historically supported the Pebble smartwatch, citing the content of those apps' listings.

127. For example, the developer of the marine navigation app SeaNav US reported in April 2015 that Apple had rejected an update for its iOS app because, according to Apple, the app “declare[d] support for the Pebble Smartwatch.”⁴⁷ Other apps reported having to remove images of Pebble devices in screenshots of their app, as well as any mentions of Pebble in app metadata.⁴⁸ The effect of this conduct was to make it more difficult for iPhone users to find apps that supported their Pebble smartwatches, and also to intimidate developers who continued to offer iPhone apps that supported the Pebble after the Apple Watch's release. By June 2016, nearly twice as many apps supported the Apple Watch as supported Pebble.

128. Apple's App Store Guideline 2.3.10 has a number of negative effects on consumers beyond those described above. It encourages app developers to highlight Apple Watch compatibility even when the app may work better when connected to a competitor smartwatch. It limits users' ability to learn about competing smartwatches through App Store listings. And it bars app developers from accurately describing ways their app may enhance customers' experience of their iPhone by delivering data from a competitor smartwatch or other connected device—as well as any advantages of using a (potentially less expensive) competitor smartwatch over the Apple Watch to deliver that data.

129. Apple has a long history of restricting the information available to shoppers on the iOS App Store in an anticompetitive manner. In 2024, the EU levied a \$2 billion fine against Apple

⁴⁷ Colin Lecher, *Apple says it removed apps with Pebble compatibility by mistake*, The Verge (Apr. 24, 2015), <https://www.theverge.com/2015/4/24/8493483/apple-app-update-pebble-policy>.

⁴⁸ *Id.*

for practices that included similar restrictions on developers informing consumers of cheaper alternative music apps outside the Apple ecosystem.⁴⁹

130. Apple could easily change the App Store guidelines not to prohibit or intimidate third-party app developers from mentioning competing iOS-connected platforms and devices—or at least competing iOS-connected smartwatches. The only reason for Apple’s current policy is anticompetitive: because its executives “feel[] extremely strong[ly] about not featuring our competitors on the App Store.”⁵⁰ This anticompetitive policy degrades the experience of Apple’s own customers by, among other things, making it more difficult for iPhone owners to find apps that work well with third-party iOS-connected smartwatches. It also harms third-party developers, and in turn smartwatch competition, by deterring developers from investing resources in iOS sister apps that support iOS-connected smartwatches other than the Apple Watch.

C. Apple Uses Updates and Design Changes To Disrupt and Degrade Competitor Smartwatches

131. Apple’s anticompetitive conduct extends beyond restrictions it imposes and enforces by contract. Apple frequently updates and redesigns iOS in ways that disrupt and degrade the performance of competitor smartwatches. The harms from Apple’s software changes fall into two broad categories: (1) changes that degrade competitor smartwatches’ ability to deliver information; and (2) changes that cause competitor smartwatches to disconnect from iPhones.

⁴⁹ European Commission, *Commission fines Apple over €1.8 billion over abusive App store rules for music streaming* (Mar. 3, 2024), https://ec.europa.eu/commission/presscorner/detail/en/ip_24_1161.

⁵⁰ Email from Elizabeth Lee (May 31, 2016).

1. Apple Has Degraded Competitor Smartwatches' Ability To Deliver Information

132. Apple has progressively degraded competitor smartwatches' ability to deliver information. At the core of Apple's degradations is "background execution"—the process by which apps (including smartwatch companion apps) operate when they are not open and displayed on the iPhone screen. While background execution is important for a large number of apps, it is particularly important for smartwatches. A smartwatch must continually exchange data with the user's smartphone in order to operate effectively, but users cannot have their iPhone constantly open to their smartwatch companion app. The solution is to have smartwatch companion apps exchange information with both the iPhone and the connected smartwatch on a continual basis in the background.

133. This continual background data exchange is necessary to ensure the smartwatch displays up-to-date information regarding, for instance, user location and weather data (sent by the smartphone); and that the smartphone displays up-to-date information regarding, for instance, health and fitness data (sent by the smartwatch). This two-way data exchange flows through the smartwatch's iOS companion app installed on the iPhone. This exchange takes time.

134. The value of this information is rooted not just in its accuracy, but in smartwatches' ability to send and receive the information when and how users want it. Yet Apple has used its power over iOS to introduce design changes that ensure competitor smartwatches cannot deliver up-to-date information in the manner users want to receive it.

a. Apple has degraded competitor smartwatches' ability to deliver up-to-date information by reducing time available for background execution

135. Apple has hamstrung its smartwatch competitors by placing increasingly onerous restrictions on the amount of time smartwatches can spend processing data in the background. In

2019 alone, Apple slashed the time available for background execution by 83%. It has imposed further restrictions on background execution time since. As a result, competitor smartwatches do not have sufficient time to exchange relevant information with the iPhone.

136. When the Apple Watch was first released, Apple provided apps with three minutes to complete background execution tasks. This three-minute limit was in place through 2019. Then, with the release of iOS 13 in 2019, Apple introduced its BackgroundTasks framework, which managed the background execution of smartwatch companion apps and other third-party apps, and limited background execution by those apps to approximately *30 seconds*.

137. In slashing background execution time by 83%, Apple dramatically restricted the ability of competitor smartwatches to complete basic tasks in the background. Since the release of iOS 14 in September 2020 and running through iOS 18 in September 2024, Apple has imposed further limits and restrictions on background execution by third-party apps. For instance, beginning with iOS 14, the operating system's algorithms became substantially more aggressive in stopping background execution for apps. These apps were frequently competitor smartwatch companion apps.

138. Due to Apple's restrictions since 2020, competing smartwatch makers today must ensure that their data transfers are completed in *ten seconds* in order to ensure they are completed. Yet ten seconds (or even 30 seconds) is not sufficient time to adequately transfer and keep updated all of the information consumers exchange between their smartwatches and smartphones. Third-party smartwatch companion apps simply cannot transmit all of the information users expect to receive on their iPhone from their smartwatch, as well as all the information users expect to receive on their smartwatch from the iPhone, in these short amounts of time.

139. The Apple Watch does not face similar background execution restrictions. Apple Watch is able to deliver up-to-date health and fitness data *to* the iPhone and retrieve up-to-date weather and location information *from* the iPhone, without running into background execution restrictions.

140. This is apparent from the result of the European Commission’s months’ long investigation pursuant to the Digital Markets Act into the interoperability of third-party devices, including smartwatches, with Apple’s technology. In its March 19, 2025 Decision, the European Commission ruled that Apple must “allow third parties effective interoperability with the same background execution feature . . . as available to Apple, in a way that is equally effective as the solution available to Apple” and “shall provide interoperability with all functionalities of the background execution feature which are available to Apple’s own connected physical devices, including, but not limited to . . . Apple Watch.”⁵¹

141. Apple’s restrictions have far-reaching consequences for third-party iOS-connected smartwatches. For instance, the health and fitness data transferred from competitor smartwatches to iPhone apps is frequently not up-to-date when users open the apps, and the weather information transferred from the iPhone and displayed on competitor smartwatches frequently lags behind current weather conditions. Across many other categories of information, competitor smartwatches lag behind the Apple Watch in the freshness of the data they provide.

142. iPhone users with competitor smartwatches frequently complain about the slow and infrequent rate at which information is synced between their smartwatch and iPhone and even blame Apple’s competitors for the problems Apple has caused. For example, on one Garmin.com

⁵¹ European Commission, DMA.100203, *Decision of 19 March 2025 – Final Measures*, https://ec.europa.eu/competition/digital_markets_act/cases/202523/DMA_100203_1655.pdf.

forum for owners of the Garmin Fenix 6 smartwatch, a user described needing to manually sync his Fenix 6 to his iPhone any time he wanted to see up-to-date weather information in his Garmin “weather widget.” He explained that, as a result, “it’s much easier and faster if I just check the weather on the iPhone itself,” and “the weather widget [is] basically useless.”⁵² This user was apparently unaware that Apple’s restrictions are what cause the weather widget to not update regularly, and went on to blame Garmin for the problem: “Once again Garmin proved that all the bells and whistles they loaded on the F6 are there just to spec the device and show it’s loaded with a lot of features, but in reality most of these features don’t have any practical purpose.”⁵³ Because this and other restrictions imposed by Apple are not visible to users, Apple can count on users blaming competing smartwatch makers for the problems Apple causes—and ultimately abandoning their competing smartwatches in favor of the Apple Watch.

143. Apple’s limits on background execution have also caused competing smartwatch makers to eliminate certain categories of information from background execution altogether, making those smartwatches less appealing to consumers. For instance, due to Apple’s restrictions, Garmin smartwatches do not continually sync health and fitness data to the Apple Health app through background execution. This means that Garmin smartwatch users cannot open their Apple Health app—the default app for health data on the iPhone—and receive an up-to-date snapshot of their health and fitness data from the day. Instead, Garmin users must physically open the Garmin smartwatch companion app, Garmin Connect, on the iPhone foreground for the data to sync to the Health app. This is such a frequent and significant problem for Garmin users that Garmin includes

⁵² Garmin, *All Weather Widget Issues - Post Here*, <https://forums.garmin.com/outdoor-recreation/outdoor-recreation/f/fenix-6-series/225122/all-weather-widget-issues---post-here/1141944>.

⁵³ *Id.*

the following among Frequently Asked Questions on its website: “I Have Enabled Data from Garmin Connect to Be Shared But It Is Not Appearing in the Apple Health App.”⁵⁴ In response, Garmin explains, “Garmin Connect must be open in the foreground to send data to Apple Health.”⁵⁵

144. Apple’s restrictions on background execution serve no procompetitive purpose. The company’s strict limits on background execution are not technologically necessary. This is demonstrated by the fact that Apple imposes no comparable background execution limits on the Apple Watch. It is also demonstrated by the fact that Android OS does not impose comparably strict limits on background execution. In Android 15, the version of the Android OS released in 2024, apps have three minutes to complete background execution tasks. Android also provides companion devices, like smartwatches, with special permissions for background execution tasks. Moreover, even though Android OS imposes some (more generous) limits on background execution for apps operating on Android devices, users have the option to adjust background execution limits for particular apps at a more granular level. Apple does not offer its users a similar ability to adjust background execution limits for apps that rely heavily on background execution—such as smartphone companion apps. Apple instead imposes strict background execution limits on competitor smartwatches, but not Apple Watches.

⁵⁴ Garmin, *Sharing Your Garmin Connect Data With Apple Health*, <https://support.garmin.com/en-US/?faq=IK5FPB9iPF5PXFKIpFIFPA>; see also Garmin, *What Garmin Connect Information Can Be Shared With Apple Health?*, <https://support.garmin.com/en-IN/?faq=IK5FPB9iPF5PXFKIpFIFPA> (“Data will only be sent to Apple Health while the Garmin Connect app is open in the foreground.”).

⁵⁵ Garmin, *Sharing Your Garmin Connect Data With Apple Health*, <https://support.garmin.com/en-US/?faq=IK5FPB9iPF5PXFKIpFIFPA>.

b. Apple has degraded competitor smartwatches' ability to deliver up-to-date information by limiting background execution when iPhones are in Low Power Mode

145. Beginning with iOS 13 in 2019, Apple introduced Low Power Mode, a setting that restricts certain smartphone functionalities when the battery reaches a low level. One of the smartphone functionalities that Low Power Mode restricts is background execution by third-party apps—including smartwatch companion apps. These limitations further restrict the already limited background execution resources available to competitor smartwatches.

146. By default, Low Power Mode turns on *automatically* whenever the iPhone's battery reaches a certain level. For many iPhone users, Low Power Mode turns on every day. Moreover, some iPhone users choose to keep Low Power Mode on at all times to improve their battery performance. The fact that Apple limits the ability of competitor smartwatches to function effectively with iPhones whenever Low Power Mode is on significantly degrades the performance of competitor smartwatches—often on a daily basis and without the user's knowledge. Upon information and belief, Low Power Mode imposes no comparable restrictions on the Apple Watch, even though the Apple Watch also relies heavily on iPhone background execution.

147. The effect of Low Power Mode on Apple Watch competitors is significant. Third-party smartwatch makers, such as Withings, acknowledge that Low Power Mode disrupts the functioning of their devices. Withings Support says that the setting can disrupt the functioning of its Fitness Level feature.⁵⁶ Garmin, too, acknowledges that this Apple setting degrades the performance of its device. Garmin's support page explains, "Low Power Mode reduces the amount of power your iPhone uses when the battery gets low. When this setting is turned on, the Garmin

⁵⁶ Withings, *ScanWatch Light – I'm having issues with Fitness Level. What should I do?*, <https://support.withings.com/hc/en-us/articles/17117469901969-ScanWatch-Light-I-m-having-issues-with-Fitness-Level-What-should-I-do>.

Connect app may take longer to update or sync.”⁵⁷ These reduced update and syncing capabilities are in addition to the restrictions Apple already imposes by limiting background execution on iOS.

148. There is no procompetitive justification for Low Power Mode automatically inhibiting the smooth functioning of competitor smartwatches when Apple does not apply the same limitations to the Apple Watch. Apple benefits from this restriction. Many iPhone users unknowingly degrade the performance of their competitor smartwatches on a daily basis, complaining about performance problems when they have no idea that their iPhone is in Low Power Mode, or that Low Power Mode affects their smartwatch negatively—making them more likely to abandon third-party smartwatches. And even when users know the effect of Low Power Mode, Apple provides them no means to exempt certain apps, such as smartwatch companion apps, from the effects of Low Power Mode in order to preserve smartwatch functionality while simultaneously saving battery.

c. Apple has degraded the ability of competitor smartwatches to deliver private notifications

149. After iPhones automatically updated to iOS 13 in 2019 or 2020, users learned that they could not receive text messages and app notifications on their competitor smartwatches unless they permitted their iPhone to show previews of those notifications. Apple justified this feature as a “privacy” measure. But the feature *diminished* privacy for competitor smartwatches by requiring notifications and messages to display publicly on their iPhone in order to receive them at all on their competitor smartwatch. Apple imposed this requirement whether or not users wanted notifications on their competitor smartwatch to be visible. Users had no way to receive

⁵⁷ Garmin, *Some Garmin Connect App Features Are Not Working On My iOS Device*, <https://support.garmin.com/en-US/?faq=ZuYlrvyuuP0B6jBJQTJEvA>.

notifications on their competitor smartwatches unless they eliminated their ability to receive private messages and notifications on their iPhones.

150. This update caused predictable dismay among users of competing smartwatches. Garmin users took to the company's forums to complain: "What if we do not want our messages to show previews on our iPhones? I like many others want my texts to not display when they come through. Is this going to be fixed? It was never an issue before..."⁵⁸ For some users, this update rendered their smartwatches unusable. iPhone users who worked in healthcare, for instance, reported that the nature of their work meant they could not have notification previews publicly displayed on their smartphone screen.⁵⁹ Apple continues to impose this restriction to this day.

151. This purported privacy update affected all third-party iOS-connected smartwatches. One user on Fitbit's community forum wrote:

I'm so frustrated, I'm ready to sell my Fitbit and look into an Apple Watch. I just love the sleep feature. My versa lite quit giving me notifications after the ios13 update. My husband was able to turn on my on screen notifications for my phone and for some reason I started getting notifications on my Fitbit again. I hate people being able to read my text messages but, it will get me by until Fitbit gets with the program.⁶⁰

This comment once again illustrates one of the most damaging aspects of Apple's conduct. Not only did Apple release a software update that disrupted the experience of iPhone users with Fitbits, but Fitbit users *blamed Fitbit* for the lack of functionality because they incorrectly assumed that it

⁵⁸ Garmin, *ATTN: iOS Users with issues after updating to iOS 13*, <https://forums.garmin.com/apps-software/mobile-apps-web/f/garmin-connect-mobile-ios/193204/attn-ios-users-with-issues-after-updating-to-ios-13/940113#940113>.

⁵⁹ Garmin, *text message notifications not coming through after iOS 13 update*, <https://forums.garmin.com/apps-software/mobile-apps-web/f/garmin-connect-mobile-ios/192559/text-message-notifications-not-coming-through-after-ios-13-update?pifragment-1286=1#pifragment-1286=11>.

⁶⁰ Fitbit, *Stopped seeing notifications after updating to iOS 13*, <https://community.fitbit.com/t5/iOS-App/Stopped-seeing-notifications-after-updating-to-iOS-13/td-p/3779290>.

was a problem with Fitbit's software. This is an understandable conclusion when the user sees that the Apple Watch has the very same functionality that the competitor smartwatch lacks. Even if the degraded feature is not itself a deal-breaker for the consumer, the reputation of the competing smartwatch company is damaged, leading consumers to opt for Apple products in the future.

152. There is no procompetitive justification for Apple's conduct. The very same smartwatches connected to the Android ecosystem do not encounter this problem with private delivery of notifications and messages. Apple has the technical means to allow competitor smartwatches the same granular notification controls available on the Apple Watch. Apple restricts that capability on competitor smartwatches to ensure that iPhone owners have bad experiences on those devices—and choose the Apple Watch instead.

d. Apple has degraded the delivery of health data from third-party smartwatches and the companion and sister apps that support them

153. The Health app is the default health-tracking app on iOS. Apple has cemented the app as the central repository for health data collected from a variety of sources. These sources include: wearable devices, including both the Apple Watch and competitor smartwatches, which collect a variety of health metrics and fitness data; third-party apps, including fitness apps such as Strava or the Peloton app, which track detailed data regarding workouts; connected fitness devices, including electronic scales and bicycle computers, which track other specialized health and fitness data; and the iPhone itself, which tracks users' steps, walking distance and steadiness, environmental sound and headphone audio levels, and manually input measurements and data, among other categories of information.

154. Apple has designed the Health app to display more information from the Apple Watch than from its competitors. For instance, Apple has restricted the display of Heart Rate Variability (HRV) in the Health app to HRV measurements taken using the Apple Watch's method

(the “Standard Deviation of Normal-to-Normal intervals,” or “SDNN,” method) and has intentionally refused to support HRV measurements taken using the more reliable method employed by competitor smartwatch makers such as Fitbit and Garmin (called the “Root Mean Square of Successive Differences,” or “RMSSD” method). This means that iPhone users with Fitbit and Garmin smartwatches cannot see their heart rate variability—an especially important health and fitness metric—in the Health app. This refusal to display measurements from competitors is an anticompetitive act in its own right, since it lacks any procompetitive justification.

155. There is no procompetitive justification for Apple’s differential treatment of its Apple Watch and third-party smartwatches within its Health app. Apple knows that the more iPhone users rely on its Health app for health and fitness data instead of turning to third-party smartwatch companion and sister apps, the more likely those users are to ultimately purchase an Apple Watch. Apple therefore opts to limit iPhone users’ access to relevant health and fitness information when they purchase competitor smartwatches, harming its own iPhone users and broader smartwatch competition in the process.

2. Apple Disrupts Competitor Smartwatches’ Connections to the iPhone

156. Apple has also used its power over iOS to introduce a more straightforward barrier to competitor smartwatch functionality: designing iOS in various ways that cause competitor smartwatches to disconnect from the iPhone. This conduct includes issuing software updates that render previously connected smartwatches unable to reconnect to the iPhone, as well as “scare screens,” buttons, and app designs that mislead consumers into disconnecting competitor smartwatches.

a. Apple issues software updates that disrupt competitor smartwatches' ability to connect

157. A frequent problem for Apple Watch competitors is that new iPhones and iOS software updates allow Apple to introduce bugs, delays, and connection issues that degrade competitor smartwatch performance—or in some cases render the devices unable to connect to the iPhone altogether. Among other acts, Apple introduces new hardware and software that it knows or has reason to know will disrupt or substantially disable competitor smartwatches. After this software causes problems for its smartwatch competitors, Apple deliberately delays fixing the issues for weeks or months at a time so that its competitors' devices suffer and the Apple Watch is more attractive to consumers by comparison.

158. One of the earliest iOS-connected smartwatches was the Moto 360, made by Motorola. In 2014, the Moto360 was the top-selling smartwatch in the United States.⁶¹ In a 2014 review, The Verge praised the Moto 360, describing it as the best smartwatch on the market.⁶² Apple announced the Apple Watch in September 2014, and first released it in April 2015. Subsequently, in September 2016, The Verge reported that after the release of the iPhone 7, the Moto 360 was “simply unable to pair” with the latest iPhone.⁶³ The article explained that the same problem affected Fossil and other smartwatches as well, and at the time of writing had persisted for weeks. The reporter described his inability to pair his iPhone to his Motorola smartwatch as

⁶¹ Victor Luckerson, *Google's Android Wear Shipping Just 720,000 Units Last Year*, Time (Feb. 11, 2015), <https://time.com/3705604/googles-android-wear-shipped-just-720000-units-last-year/> (“The most popular watch [in 2014] was Motorola’s round-faced Moto 360”).

⁶² David Pierce, *Moto 360 review*, The Verge (Sept. 5, 2014), <https://www.theverge.com/2014/9/5/6108947/moto-360-review>.

⁶³ Chris Welch, *Many Android Wear watches aren't working with the iPhone 7*, The Verge (Sept. 29, 2016), <https://www.theverge.com/circuitbreaker/2016/9/29/13107836/apple-phone-7-android-wear-problems-moto-360>.

“annoying” and said the experience “has led me to take a serious look at [the Apple Watch] Series 2.”⁶⁴ At the end of 2016, Motorola announced it would exit the smartwatch business—at least temporarily. It did not release another smartwatch for three years.

159. In the same article, The Verge reported that the release of iOS 10 (also in September 2016) had caused “compatibility issues between [Wear OS]” smartwatches and iPhones updated to the new operating system.⁶⁵ Compatibility issues caused by Apple’s software updates—which it automatically installs on users’ iPhones—are a frequent occurrence and cause immense frustration for iPhone owners with third-party smartwatches.

160. Upon information and belief, Apple knowingly causes compatibility problems with iOS-connected third-party smartwatches through iOS software updates and intentionally delays resolving them to advantage the Apple Watch over its competitors. For instance, following the release of iOS 11 in 2017, Garmin smartwatches, among others, began frequently disconnecting from iPhones—causing them to lose the ability to receive notifications, text messages, or any other data from the iPhone—and also experienced problems syncing data collected by the smartwatches to the iPhone.⁶⁶ Apple was aware of this issue affecting Garmin smartwatches, but did not issue a fix for several months.

161. These problems have only continued. After the release of iOS 14 in September 2020, Garmin users observed that their smartwatches would permanently disconnect whenever they moved out of range of their smartphone, failing to automatically reconnect once back in range as smartwatches ordinarily do (and as the Apple Watch does). Users reported that Garmin’s

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ See, e.g., Garmin, *iOS 11 Bluetooth Connection Issues With Garmin Wearable Devices*, <https://support.garmin.com/en-HK/?faq=O2rhfvdmhY6uQSUVU3Qvv8>.

suggestions were not immediately able to fix the problem. One user concluded based on this “nightmare” experience that “Garmin should say that their watches are not compatible with iphone.”⁶⁷ Garmin users have reported comparable problems after more recent iOS updates, including being unable to receive notifications on their smartwatch after updating their iPhone to iOS 16 in 2022, and being unable to reconnect their smartwatch to their iPhone after updating to iOS 17 in 2023. Meanwhile, the Apple Watch experiences no comparable problems following iOS updates or following the release of new iPhones.

162. Competing smartwatch makers frequently cannot fix the problems introduced by iOS updates. Instead, they are reliant on Apple to address the problems. Upon information and belief, Apple intentionally delays fixing the problems with its software, giving the Apple Watch (which experiences no similar problems) a significant advantage over its competitors. And even when competing smartwatch makers are able to address these problems with updates or workarounds, the inevitable user frustration causes serious harm to Apple Watch competitors and their customers. Upon information and belief, Apple is frequently aware that its software and hardware updates will disrupt and degrade the operations of competing smartwatches, but releases the updates anyway. Apple also refuses to share sufficient information about its iOS updates and new iPhone releases such that smartwatch competitors can ensure their device operations are not disrupted by the changes to Apple hardware and software. There is no technical or otherwise legitimate reason for Apple’s conduct; instead, Apple knowingly degrades iOS users’ experiences of competing smartwatches to gain a competitive advantage over other makers of iOS-connected smartwatches.

⁶⁷ Garmin, *Garmin Connect loses connection, but still connected to iPhone*, <https://forums.garmin.com/apps-software/mobile-apps-web/f/garmin-connect-mobile-ios/239623/garmin-connect-loses-connection-but-still-connected-to-iphone>.

163. The intentional nature of Apple's conduct is apparent from the fact that third-party smartwatches that connect to both iPhones and Android suffer no similar problems with Android operating system updates, and Apple Watches suffer no similar iPhone connection problems following updates. It is also apparent from the fact that Apple has shown itself capable of quickly addressing problems with its software updates when they affect *Apple's* iOS-connected products. But Apple acts with no comparable speed when its updates affect competitor iOS-connected products.

b. Apple imposes disparate “scare screens” that urge users to disable location services necessary for many competitor smartwatch features

164. Apple encourages iPhone users to stop sharing their location with competitor smartwatches by presenting intrusive and misleading “scare screens” on their iPhone screen that they cannot turn off. In doing so, Apple leads competitor smartwatch users to disable the very location services that are crucial for many competitor smartwatch features to function properly. Those features include, for example, GPS fitness tracking, up-to-date weather, and emergency location sharing. Apple does not, however, bombard Apple Watch users with the same scare screens. Apparently recognizing the essential nature of iPhone location data to smartwatch operations, Apple does not even provide iPhone users the means to turn off iPhone location sharing with the Apple Watch.

165. Beginning with iOS 13 in September 2019, and continuing through the present, Apple sends iPhone users prompts when third-party apps, including competitor smartwatch companion apps, are accessing iPhone users' location in the background. These prompts initially require customers to give the apps permission to use their location in the background. But even after users give permission, these prompts appear “from time to time,” according to Apple, purportedly to remind users that an app is using their location in the background, to “display those

locations on a map,” and to ask users whether they “want to continue to allow the app to use [their] location in the background.”⁶⁸

166. In the case of competitor smartwatches, Apple presents users with a message that reads, “[Third-party smartwatch companion app] has used your location [X] times in the background over the past [Y] days. Do you want to continue to allow background location use?” This notification is followed immediately by a map that suggests to users that these apps have *tracked them* as they moved about over the Y days listed in the notification. The app then prompts users with two choices: “Change to Only While Using,” or alternatively, “Always Allow.” If users select “Change to Only While Using,” then their smartwatch is no longer able to receive location data via background execution, effectively disabling a variety of location-based functionalities on the smartwatch.

167. Apple’s location scare screen is misleading for a number of reasons. First, the notification presents users with a “map” that implies the third-party app has been tracking them over the course of many days and building a map of their locations over that time. But this map has no meaningful connection to the competitor smartwatch’s data collection practices. Garmin, for instance, does not collect users’ location information in such a way that it could construct a map of their whereabouts. Garmin accesses users’ location data only to provide real-time location information, and does not collect or store that location data over time. Users of Garmin and other third-party smartwatches are nonetheless deceived by Apple into believing they have to turn off access to background location data to protect the privacy of their movements.

⁶⁸ Apple, *About privacy and Location Services in iOS, iPadOS, and watchOS*, <https://support.apple.com/en-us/102515>.

168. Second, Apple's scare screens identify the smartwatch *companion app* as using iPhone users' location in the background, without explaining that sharing that location data is what allows their third-party *smartwatch* to access the location data, or that this data is necessary for smartwatches to function effectively.

169. When customers turn off background location sharing without understanding what they are doing, they may eliminate the smartwatch's ability to provide core functionalities such as up-to-date weather reporting, GPS fitness tracking, and emergency location sharing features designed to send a user's location in the event of an emergency (such as Garmin's Assistance and Incident Detection feature). Apple provides third-party smartwatch owners no ability to turn off these scare screens, so even if users give permission to share their location, and do not choose to disable location sharing when prompted again, they are repeatedly prompted to disable location over the lifetime of the device. For many customers, it is only a matter of time before they disable core smartwatch functionalities accidentally, without understanding what they are doing, or otherwise. And once disabled, Apple does not continue to provide prompts that would allow users to easily reverse their decision. Unsurprisingly, once Apple has what it wants, the prompts go silent.

170. Despite Apple presenting these scare screens as privacy protections for users, there is no comparable notification presented to Apple Watch users on a periodic basis. This is despite the fact that the Apple Watch receives as much or more location data as competitor smartwatches. As mentioned above, Apple does not even provide iPhone users with a method to stop sharing their location data with a connected Apple Watch—presumably because it recognizes that such data is essential for a smartwatch to operate effectively.

171. Apple increased the disruptive effect of these location sharing scare screens in iOS 14, released in September 2020. With iOS 14, Apple allowed users to limit smartwatch (and other) companion apps to receiving only “approximate location” data, and indeed started prompting users to do so. But Apple did not enable and prompt users to similarly limit its Apple Watch.

172. There is no procompetitive justification for this conduct. There is no legitimate technological or privacy basis for Apple to present users with repeated and misleading notifications about background location data access by their smartwatch. This is apparent from the fact that Apple sends users no comparable prompts with respect to the Apple Watch, despite the fact that the Apple Watch uses customers’ location in the background just as competitor smartwatches do.

173. This type of anticompetitive conduct is not a new entry in Apple’s playbook. After a 2021 trial on antitrust and unfair competition claims, a Northern District of California court ordered Apple to allow apps to point customers to methods of payment outside the App Store. *See* Order Granting Epic Games, Inc.’s Motion to Enforce Injunction, *Epic Games, Inc. v. Apple Inc.*, No. 20-cv-05640-YGR (N.D. Cal. Apr. 30, 2025), ECF No. 1508 at 2. In a 2025 ruling, the court found Apple responded to this order with a coordinated campaign to “thwart[] the Injunction’s goals,” including having high-ranking executives “outright lie[] under oath” and the company “at every turn” implementing “the most *anticompetitive* option.” *Id.* One of Apple’s anticompetitive acts aimed at thwarting the injunction was implementing “scare screens” that would pop up to deter customers from following links to alternative means of payment. *Id.*

174. These scare screens would pop up when customers clicked on a link provided by an app developer to an alternative means of payment. Apple’s documents reflected that Apple chose the language in its pop up screens to ensure that the customer’s choice to use alternative payment methods “sounds scary.” *Id.* at 36. When an Apple employee suggested that the company

could make its scare screens “even worse” by “add[ing] the developer name rather than the app name”—to further unnerve customers deciding whether to click—another Apple employee responded, “ooh – keep going.” *Id.* at 36-37. Apple ultimately chose this “even worse” option of displaying developers’ names on the scare screen, a choice the court characterized as Apple again choosing “the most anticompetitive option.” *Id.* at 37. Apple CEO Tim Cook also personally recommended changes to make the warning screen more intimidating to consumers. *Id.* at 38. Based on Apple’s violation of the Court’s injunction, the court held Apple in civil contempt and referred Apple and its Vice President of Finance to the United States Attorney’s office for potential criminal contempt prosecution. *Id.* at 63, 78.

c. Apple imposes disparate Bluetooth controls that cause competitor smartwatches to disconnect from the iPhone

175. When an Apple Watch user turns off Bluetooth from their iPhone Control Center (the screen accessed by swiping down on the top-right corner of the phone), the iPhone by design still maintains its Bluetooth connection with the Apple Watch. In contrast, when a competitor smartwatch user turns off Bluetooth in the Control Center, it severs the Bluetooth connection with the competitor smartwatch. Such severing entirely disables the competitor smartwatch from communicating with the iPhone, harming iPhone users and competition with the Apple Watch.

176. Bluetooth connections are essential to smartwatch functionality. Bluetooth is a wireless technology that allows short-range radio communication between two devices. Both competitor smartwatches and the Apple Watch rely on Bluetooth connections to exchange information between iPhones and smartwatches continuously throughout the day. A consistent and reliable Bluetooth connection to the iPhone is thus essential for the smooth functioning of a smartwatch.

177. One of the features that sets the Apple Watch apart from its smartwatch competitors is the consistency and reliability of the Apple Watch's connection to the iPhone. This consistent and reliable connection ensures smooth data transfer between the Apple Watch and the iPhone—including the background execution that ensures data sent to or from the Apple Watch is up to date.

178. The Bluetooth connections of third-party iOS-connected smartwatches are far less reliable than Apple Watch Bluetooth connections. One reason is that Apple has designed iOS to ensure that competitor smartwatches' Bluetooth connections are consistently severed by iPhone users, while Apple Watches' Bluetooth connections are not. Apple achieved this by adding a toggle button to the iPhone Control Center that, when clicked, disconnects all devices connected to the iPhone by Bluetooth, but leaves the Apple Watch's connection undisturbed.

179. Not severing the Apple Watch Bluetooth connection is a reasonable choice by Apple. The Apple Watch relies on Bluetooth for a number of its functionalities, and Apple likely assumes, correctly, that if a user is wearing the Apple Watch, she does not intend to disable it when she toggles Bluetooth off. Disabling Bluetooth while wearing an Apple Watch is second nature to many iPhone users, who may use the Control Center to quickly disconnect Bluetooth headphones, speakers, or other devices while going about their day with a functioning Apple Watch. Users also frequently toggle Bluetooth off in the Control Center by accident.

180. Despite these advantages to preserving smartwatch Bluetooth connections, Apple uses the Bluetooth toggle to sever the Bluetooth connections of competitor smartwatches. Users have no option to keep their competing smartwatches connected to their phones when they toggle off Bluetooth. Neither competing smartwatch makers nor their customers are able to avoid having

their smartwatch Bluetooth connections severed every time they toggle Bluetooth off in the Control Center.

181. The European Commission recently recognized the harm of this differential treatment by Apple in its March 2025 Decision under the Digital Markets Act. The Commission explained that the ability to disable Bluetooth connections of smartwatches “through iOS Control Centre,” has a “resulting impact on background execution” between the iPhone and competitor smartwatches, as well as other connected devices.⁶⁹ The Commission therefore ordered that Apple could only impose such a “limitation or choice on the background execution capabilities of third-party iOS companion apps . . . if the user can take the same action with the same limiting effect regarding Apple’s most comparable connected physical devices.”⁷⁰

182. There is no procompetitive justification for Apple’s differential treatment of competitor smartwatches: if it is important to iPhone users that their Apple Watches stay connected when Bluetooth is switched off in the Control Center, it is presumably just as important to iPhone users that their third-party smartwatches stay connected when Bluetooth is switched off in the Control Center. Apple could provide the same Bluetooth functionality to competing smartwatches as it provides to the Apple Watch, but chooses not to, degrading users’ experiences of those devices in the process.

d. Apple imposes disparate requirements with respect to smartwatch companion apps that cause competitor smartwatches to disconnect

183. Another restriction Apple imposes on competing smartwatches is the need to leave the companion app open in the background. Third-party iOS-connected smartwatches cannot

⁶⁹ European Commission, DMA.100203, *Decision of 19 March 2025 – Final Measures*, https://ec.europa.eu/competition/digital_markets_act/cases/202523/DMA_100203_1655.pdf.

⁷⁰ *Id.*

exchange information with an iPhone if the companion app for the smartwatch is not open in the background—meaning it is visible in the “app switcher” screen and has not been “force quit” by swiping up on the app to remove it from that screen.

184. The requirement that the third-party smartwatch app remain open in the background disrupts the functionality of third-party smartwatches. Google forums are full of users who purchased iOS-connected Wear OS smartwatches and discovered that the connection was broken every time they closed the Wear OS app in the background. In one forum discussion, a number of Wear OS smartwatch users complained about their smartwatch repeatedly disconnecting from their iPhone for this reason:

- Jess Langdon (Nov. 2, 2018): I have connected my new watch to my iPhone with no issue but it keeps disconnecting, it seems fine when I have the wear OS app open on my phone, must I keep it open at all times in order to stay connected?
- Google user (Dec. 17, 2018): Have you received any help from someone who is using an iphone? I am having the same issue and hoping there is a work around aside from preventing yourself from closing the app and leaving it running.
- Abdul Basit Memon (Apr. 1, 2019): Have you received any solution? I am also facing this issue in iPhone, I have to keep open app otherwise it disconnect...⁷¹

185. As these comments suggest, many iPhone users routinely eliminate the background apps on their device to declutter their screens or in an attempt to save on battery life. Yet once

⁷¹ Google, Wear OS by Google Help, *Must I keep the wear OS app open on my iPhone to stay connected?*, <https://support.google.com/wearos/thread/496842/must-i-keep-the-wear-os-app-open-on-my-iphone-to-stay-connected?hl=en>.

these users acquire a competitor smartwatch, this habitual process causes them to disconnect their smartwatch from all background execution—stopping the syncing of key health and fitness data between the smartwatch and iPhone and many other processes that are essential for an iOS-connected smartwatch to function effectively. Garmin’s support page lists a number of specific smartwatch functionalities that may not function if an iPhone user closes the Garmin app in the background: “Activity audio prompts,” “All sync-related functions (auto-sync activities, steps, updates),” “Bike alarm notifications,” “Calendar widget,” “Connect IQ™ app functions, including third-party apps,” “Connect IQ™ watch faces,” “Connected GPS,” “Find My Phone,” “Garmin device connection alerts,” “Golf courses,” “GroupTrack,” “Incident Detection,” “LiveTrack,” “Music controls for your smartphone,” “Strava Beacon,” and “Weather.”⁷²

186. None of this is a problem for Apple Watch users because Apple does not require the Apple Watch to have an app open in the background to stay connected. There is no procompetitive justification for Apple’s conduct or Apple’s disparate treatment of competitor smartwatches. There is no technical reason Apple must require competing smartwatches to have an app open in the background. The Apple Watch likewise has a companion app—the Watch app—that supports the device like a third-party smartwatch companion app, but the Apple Watch continues to function if the Watch app is force quit. Not only do Apple Watches operate effectively without having an app open in the background, but so do many other devices, including competitor iOS-connected earbuds.

187. Recognizing the harm of this disparate treatment, in its March 2025 Decision, the European Commission ordered Apple to make “the action of a user terminating a companion or

⁷² Garmin, *Some Garmin Connect App Features Are Not Working On My iOS Device*, <https://support.garmin.com/en-US/?faq=ZuYlrvyuuP0B6jBJQTJEvA>.

sister app in the app switching menu (‘force-quitting’) . . . as well as the resulting impact on background execution with the connected physical device” equivalent between competitor smartwatches and the Apple Watch.⁷³ It reached this conclusion after a months-long investigation into, among other things, the technical feasibility of making the changes it ordered.

III. Overall Anticompetitive Effects of Apple’s Conduct

188. Each of the tactics described above is anticompetitive on its own. Considered as a whole, Apple’s conduct is a highly effective anticompetitive scheme to acquire and maintain a monopoly in the market for iOS-connected smartwatches—forcing out rivals and precluding new entrants, restricting supply, harming competition, and enabling Apple to charge supracompetitive prices for its Apple Watch as a result.

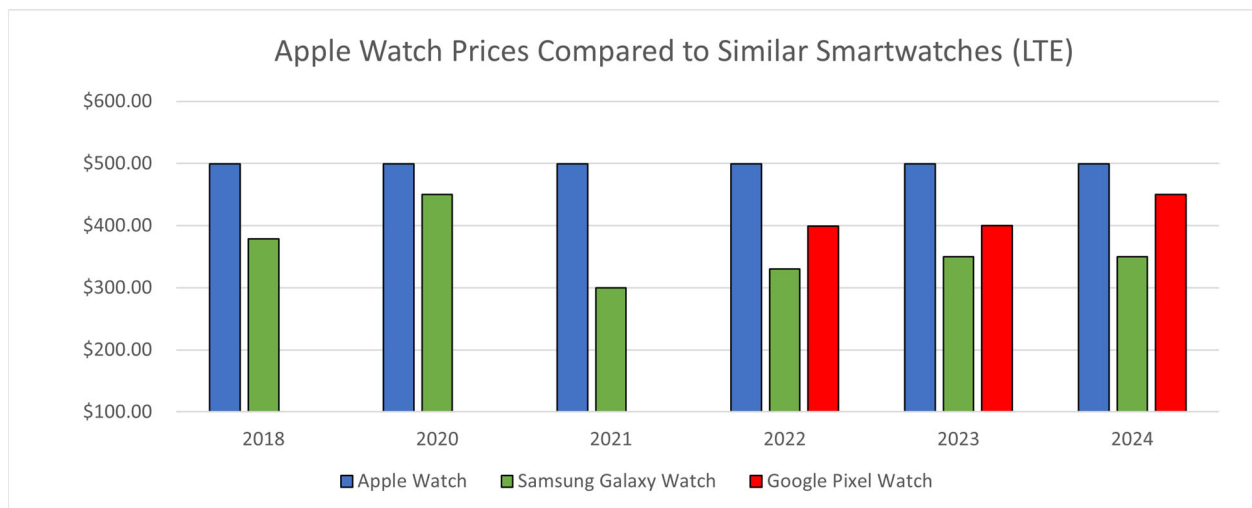
189. Through its anticompetitive conduct, Apple has substantially foreclosed competition in the market for iOS-connected smartwatches. In 2023, the Apple Watch accounted for approximately 79% of the iOS-connected smartwatch market.⁷⁴ Apple’s share of the iOS-connected smartwatch market has also increased over time. Meanwhile, as a result of Apple’s conduct, three of the largest tech companies in the world—Google, Meta, and Samsung—have either exited or chosen never to enter the market for iOS-connected smartwatches. Others have been forced out of business (Pebble) or temporarily exited the market (Motorola), further cementing Apple’s market dominance. Apple’s anticompetitive practices challenged here remain an ongoing barrier to entry or re-entry.

⁷³ European Commission, DMA.100203, *Decision of 19 March 2025 – Final Measures*, https://ec.europa.eu/competition/digital_markets_act/cases/202523/DMA_100203_1655.pdf.

⁷⁴ Felix Richter, *Apple’s Tightly Knit iPhone Ecosystem*, Statista (Mar. 25, 2024), <https://www.statista.com/chart/31973/likelihood-of-iphone-users-using-other-apple-devices/>.

190. If, in the alternative, the relevant market is defined as the market for smartwatches, Apple has substantially foreclosed competition in that market as well. Apple has an approximately 60% share of the smartwatch market.

191. There is no legitimate business justification for Apple's conduct. Even if there were legitimate business objectives for certain of the restrictions and technical limitations imposed on competitor smartwatches, those objectives could be achieved by less restrictive means. Apple continues to engage in the above anticompetitive conduct in order to continue foreclosing competition in the market for iOS-connected smartwatches or, in the alternative, the market for smartwatches generally.



192. As a result of Apple's conduct, Apple has been able to increase prices and charge supracompetitive prices for the Apple Watch without losing market share. The flagship Apple Watch Series 3 was \$329 when released in 2017. The base model Apple Watch Series 9, released in 2023, cost \$399, and \$499 with cellular service enabled. Above is a chart of flagship Apple Watch prices, with cellular data enabled, over time, as well as a comparison to prices for cellular-enabled Samsung Galaxy Watches and Google Pixel Watches during the class period.

193. As shown above, prices for Apple Watches have been as much as 66% higher than the comparable or superior Galaxy Watch during the class period, and as much as \$100 higher than

the comparable or superior Google Pixel Watch. These pricing differentials likely understate Apple's supracompetitive prices. Other comparable or superior Android smartwatches, such as Samsung's Galaxy Watch 6 Classic and OnePlus's Watch 2, sell for \$320 and \$245 respectively.⁷⁵ Apple Watch prices have also consistently been higher than comparable or superior iOS-connected smartwatches, such as the Fitbit Versa 4, which sold for \$229 at the time of its release in 2022.⁷⁶

194. Apple has maintained its supracompetitive prices even as low-cost iOS-connected smartwatches have attempted to enter the market. The Amazfit Active 2, a widely praised iOS-compatible smartwatch, retails for as low as \$99.99, while Apple's budget smartwatch offering, the Apple Watch SE, retails for \$249.

195. In addition to enabling continued supracompetitive pricing, Apple's restrictions substantially degrade the functionality and user experience of third-party iOS-connected smartwatches.

196. Apple's restrictions on competitor smartwatches also harm all smartphone and smartwatch users by restricting the supply of competing smartwatches and smartwatch sister apps, and by artificially restricting the network of customers that can seamlessly message with one another.

IV. Relevant Product Market

197. The relevant product market in this case is the market for iOS-connected smartwatches. In the alternative, the relevant product market is the market for smartwatches. In the market for iOS-connected smartwatches, Apple competes with other manufacturers to supply

⁷⁵ Victoria Song, *The best smartwatches for Android*, The Verge (last updated July 8, 2025), <https://www.theverge.com/23449363/best-android-smartwatches-wear-os>.

⁷⁶ Kate Kozuch, *Fitbit Versa 4 review*, Tom's Guide (last updated Feb. 13, 2024), <https://www.tomsguide.com/reviews/fitbit-versa-4>.

smartwatches to iPhone users. The alternative market for smartwatches includes smartwatches that connect solely to iPhones, i.e., Apple Watches; smartwatches that connect solely to Android devices, such as Google's Pixel Watch; and smartwatches that connect to Android devices and iPhones alike, such as those made by Garmin.

198. Smartwatches' core functionalities include the extension and enhancement of smartphone capabilities. The relevant smartphone market in this case is the market for iOS smartphones or, in the alternative, the market for smartphones generally. The market for iOS smartphones is a market comprising Apple's iPhone devices running the iOS mobile operating system. The market for smartphones generally comprises Apple's iPhone as well as competing smartphones primarily running the Android mobile operating system. Under either smartphone market definition, Apple has monopoly power that it uses to exercise control over the relevant smartwatch market. In the alternative to the two markets defined above, Apple also competes in the relevant market for performance smartphones, which excludes entry-level smartphones. Apple has a monopoly share of that market as well.

A. Smartphones and Smartwatches Are Separate Products

199. Smartphones and smartwatches are separate products that must work in close coordination. Smartphones and smartwatches are sold separately: many consumers who buy smartphones do not buy smartwatches. And when smartphone users do buy smartwatches, they typically shop for the two products separately. But even when buying the products separately, a consumer's choice of smartwatch is influenced by the consumer's choice of smartphone. A primary function of a smartwatch is to serve as an extension of a user's smartphone, providing easy, portable access to various smartphone functions. Indeed, many leading smartwatches cannot even be set up and used by their owners unless the owners connect the smartwatch to a smartphone. Samsung Galaxy watches running the Wear OS operating system cannot be used without a

smartphone. The Apple Watch, too, requires the user to have an iPhone to set up and use the device.⁷⁷ Apple uses this need to attach a smartwatch to a smartphone to discriminate against Apple Watch competitors. It uses its control over iOS (and the timing of iOS updates and subsequent fixes) to disrupt competitors and strategically restrict access to critical functionalities so that Apple retains control over those portions of the smartwatch market it can dominate, while allowing competitors access to the market where it benefits Apple.

200. Even for those smartwatches that permit users to set up the devices without a smartphone, the resulting device is severely limited. Many essential smartwatch features presuppose that the user owns a smartphone. Moreover, with the exception of the minority of smartwatches connected to a cellular data plan, the smartwatch not connected to a smartphone will have limited functionality in day-to-day life because the user will lack access to the internet throughout the day. Even certain fitness-oriented devices that do not require a smartphone have more limited capabilities when not synced with a smartphone because they rely on a smartphone's location data, including to provide accurate weather and altitude readings, and rely on certain smartphone apps to sync information with the smartwatch on an ongoing basis.

B. Market for iOS Smartphones

201. Smartphones are mobile devices that combine the functions of cell phones with those of a mobile computer, enabling a user to make phone calls, send emails and text messages, and use a seemingly endless variety of apps on a single mobile device. The majority of smartphones in the United States are iPhones running on Apple's iOS mobile operating system.

⁷⁷ The only exception is Apple Watches relying on "Family Setup," a feature that allows the Apple Watch to be set up using a family member's iPhone. This feature enables adults to set up (and control) their child's or parent's Apple Watch from their iPhone. Yet Apple Watches relying on Family Setup still require that a family member own an iPhone. *See* Apple Support, *Set up Apple Watch for a family member*, <https://support.apple.com/en-us/109036>.

Nearly all remaining smartphones run on Google's Android mobile operating system. Apple is the only maker of iOS smartphones, while Android smartphones are manufactured by a variety of companies, including Lenovo, Samsung, and Google.

202. iOS smartphones are a relevant product market. Most adults in the United States now own either an iOS smartphone or an Android smartphone. Having made the choice to use an iOS or Android smartphone, the vast majority of users continue to purchase smartphones on the same operating system in the future. iOS smartphone users do not consider iOS and Android smartphones reasonably interchangeable and generally do not consider purchasing Android smartphones when it comes time to replace their iPhone.

203. One reason iOS smartphones are not reasonably interchangeable with Android smartphones is that smartphones are long-lasting devices that users spend considerable time learning to use, customizing, and adding valuable content to before replacing. The desire to continue using apps; to preserve data such as messages, photos, and videos; and to continue using a device that one has learned and grown accustomed to means that users generally continue using smartphones on the same mobile operating system once they have begun. This effect is exacerbated by Apple's efforts to tie its products together and lock its customers into the Apple ecosystem, meaning that iPhone users end up purchasing other Apple devices and find that those devices will not work as well with competing smartphones.

204. Overall, switching between iOS and Android phones is uncommon and users who purchase iPhones tend to continue purchasing them in the future. In the United States, nearly 90 percent of iPhone users replace their iPhone with another iPhone. The iPhone's growing market share also demonstrates that while some Android users switch to the iPhone, users of the iPhone

switch to Android smartphones at a substantially lower rate, suggesting that iPhone users do not view Android smartphones as reasonable substitutes.

205. In the alternative, Apple competes in the market for smartphones. In this market, Apple's iPhone competes against Android smartphones made by Lenovo, Samsung, Google, and other device manufacturers.

206. However the smartphone market is defined, neither iOS smartphones nor smartphones generally are reasonably interchangeable with "feature phones" or other cell phones that are not smartphones. These cell phones lack the third-party apps, processing power, and hardware capabilities that allow smartphones to perform a broad range of functionalities. Even if key third-party apps were available for these devices, their lower quality cameras, screens, and processing power would significantly limit the ability to use these devices for many common smartphone tasks, such as taking pictures, posting on social media, playing mobile games, or using videoconferencing tools for work or communicating with friends.

207. iOS smartphones and smartphones generally are also not reasonably interchangeable with laptops or tablets. Among other differences, laptops and tablets are not designed to be carried in a user's pocket, typically lack a cellular data connection, and have cameras that are inferior to smartphone cameras. As a result of their larger size and lack of cellular data connection, laptops and tablets cannot substitute for a variety of smartphone functionalities, including: text messaging, providing in-car navigation, casual mobile gaming (such as during a commute), or on-the-go music streaming. Moreover, the inferior cameras on laptops and tablets, as well as their size, mean that they cannot function as digital cameras or video recorders, one of the most-used features of modern smartphones.

208. Finally, for the reasons explained in the previous section, smartphones are not reasonably interchangeable with smartwatches.

C. Market for iOS-Connected Smartwatches

209. Smartwatches are wrist-worn devices that tell time while extending and improving the capabilities of smartphones. Among other functions, they may allow users to collect health and fitness data that is synced to a smartphone, to view and act on messages and notifications received by the smartphone, to track and share location information, to exercise control over a smartphone and smartphone apps, to access and use a mobile wallet, and to take advantage of an app ecosystem for additional functionalities.

210. Smartwatches are distinct products not reasonably interchangeable with smartphones, wrist-worn health and fitness trackers, or wristwatches. Since smartwatches generally serve to improve and extend the capabilities of smartphones, they cannot be substituted for smartphones themselves. A smartphone also cannot be worn comfortably on the wrist and lacks the fitness and health tracking features common to smartwatches. Smartwatches are also not reasonably interchangeable for health and fitness trackers because these devices generally provide only the health and fitness tracking functionality of a smartwatch, without the third-party app ecosystem, messaging and notification capabilities, and time-telling provided by smartwatches. In other words, while health and fitness trackers may provide health and fitness data that syncs to a smartphone, they do not improve or extend the capabilities of a smartphone in most other respects.

211. Finally, smartwatches are not reasonably interchangeable with ordinary wristwatches because ordinary wristwatches typically only display the time, or potentially include basic tools such as stopwatches and alarms. Ordinary wristwatches lack the powerful internal computing power and third-party apps of smartwatches and typically cannot connect to a smartphone to improve or extend smartphone capabilities.

212. The relevant product market in this case is the market for iOS-connected smartwatches. The market for iOS-connected smartwatches is the market for wrist-worn devices that tell time and extend and improve the capabilities of the iPhone. Among other functions, iOS-connected smartwatches may allow users to view and act on messages and notifications received by the iPhone, to track and share location information, to exercise control over an iPhone or iPhone apps, to collect health and fitness data and sync it with an iPhone, to access and use a mobile wallet, and to take advantage of an app ecosystem for additional functionalities. As explained above, users typically do, and often must, own a smartphone before purchasing an associated smartwatch. For the same reason, which smartphone a customer owns is highly determinative of the smartwatch that customer will buy; many smartwatches do not work with, or work less effectively with, certain smartphones. This is particularly true for iPhone users. Manufacturers compete to sell smartwatches to users of iPhones.

213. The market for iOS-connected smartwatches includes those manufacturers who sell smartwatches only to users of iPhones, such as Apple, and manufacturers who sell smartwatches that are compatible with iPhones and Android smartphones alike, such as Garmin. iOS-connected smartwatches constitute a distinct market because there is no reasonable substitute for the devices. Consumers with iPhones who want to purchase smartwatches must purchase iOS-connected smartwatches because other smartwatches, such as those that connect only to Android devices, simply do not work.

214. Marketing materials demonstrate that the markets for iOS-connected and Android-connected smartwatches are distinct. On the homepage for Garmin's Instinct Crossover smartwatch, the third fact that Garmin mentions—after describing the analog hands and accurate

timekeeping—is that the watch “connects to Android and Apple devices.”⁷⁸ Garmin recognizes that smartwatch buyers must first determine if the device is compatible with their smartphone before deciding to buy a given smartwatch.

215. Just as Apple sells smartwatches that connect only to iPhones, Google and Samsung sell smartwatches that connect only to Android smartphones. Those smartwatches are not reasonable substitutes for iOS-connected smartwatches because iPhone users would have to purchase Android smartphones in order to use those companies’ Android-only smartwatches.

216. If there were only one company that made smartwatches that connected to iPhones, that company could profitably institute a small but substantial increase in price above competitive levels, as the vast majority of iPhone users would not switch to Android smartphones just to access Android-only smartwatches. This demonstrates that the market for iOS-connected smartwatches constitutes a distinct market. In economic terms, a hypothetical monopolist could impose a small but significant non-transitory increase in price (SSNIP) in the market for iOS-connected smartwatches and not lose sufficient volume to make the price increase unprofitable. And in fact, that is precisely what Apple has done with its Apple Watches.

217. When non-smartwatch users purchase an iPhone, particularly their first iPhone, they typically do not consider the costs and difficulties that will be associated with purchasing a non-Apple smartwatch with their device. In many cases, iPhone buyers purchased their smartphones before smartwatches were mainstream products and are now locked into using iPhone devices for the reasons described above. Even for iPhone buyers who are aware that they might want to extend their device’s capabilities with a smartwatch, the difficulties with using a third-party smartwatch alongside an iPhone are not well-publicized, especially by Apple itself, which

⁷⁸ Garmin, *Instinct Crossover – Standard Edition*, <https://www.garmin.com/en-US/p/819761>.

largely downplays the restraints it imposes as minor security or privacy measures. For instance, Apple has resisted calls to open up access to iMessage in the European Union by presenting itself as committed to the principle that “[a]ccess to private communications needs to remain fully under the control of users.”⁷⁹ Even if iPhone users are aware of these restraints Apple imposes on third-party connected devices, they have no means of predicting how these restraints will grow or evolve with subsequent updates to the iOS operating system, and thereby further reduce the functionality of their smartwatch. It is therefore difficult for iPhone buyers to adequately determine the costs they will face due to Apple’s restrictions in relevant smartwatch markets at the time of their iPhone purchase. When iPhone buyers do become aware of the problems with competitor smartwatches and the high cost of the Apple Watch, they encounter significant costs in switching away from iPhones. This further compounds the problem because iPhone users cannot simply switch to an Android smartphone in order to purchase or use a non-Apple smartwatch after Apple imposes its smartwatch restrictions.

218. Finally, for the reasons detailed above, iPhones and iOS-connected smartwatches are not part of a single market. Smartphones and smartwatches are not substitutes for one another. Smartwatches function to extend the capabilities of smartphones and consumers cannot reasonably use a smartwatch in place of a smartphone—or vice versa.

219. In the alternative, Apple competes in the single market for smartwatches. This market is defined as the market for wrist-worn devices that tell time and extend and improve the capabilities of smartphones. Among other functions, smartwatches may allow users to view and act on messages and notifications received by the smartphone, to track and share location

⁷⁹ Apple, *It’s getting personal* (Dec. 2024), <https://developer.apple.com/support/downloads/DMA-Interoperability-Dec-2024.pdf>.

information, to exercise control over a smartphone and smartphone apps, to collect health and fitness data and sync it with a smartphone, to access and use a mobile wallet, and to take advantage of an app ecosystem for additional functionalities. Apple competes in this market with its Apple Watch. Other competitors in this market include Motorola, Garmin, Samsung, and Google.

D. The Relevant Geographic Market is the United States

220. The United States is the relevant geographic market for sales of iOS-connected smartwatches and smartphones generally, as well as for iOS smartphones and smartphones generally. Smartwatch and smartphone manufacturers, including Apple, employ differentiated pricing for consumers in the United States and outside the United States in both online sales and sales at physical retail stores. Smartwatch prices for consumers are essentially uniform throughout the United States, but deviate widely from the prices offered to consumers in other parts of the world. The prices of smartwatches and smartphones in the United States are also ordinarily lower than in other parts of the world, meaning that, as a practical matter, U.S. consumers purchase these products within the United States. Moreover, smartwatch manufacturers develop and market separate models in and outside the United States based on prevailing data networks.

221. Smartwatches and smartphones are also subject to significant federal regulation over the sale of devices in the United States. Among other regulations, smartwatch and smartphone manufacturers must obtain authorization from the Federal Communications Commission (FCC) to sell their devices to U.S. consumers. Notably, the FCC has banned major international manufacturers, Huawei and ZTE, from selling devices in the United States that continue to be sold throughout the rest of the world. Moreover, smartphone prices in the United States are regularly influenced by promotions and discounts offered by national cellular carriers who subsidize the cost of the devices in exchange for signing service contracts. Smartwatches, too, are frequently

purchased at stores for national cellular carriers that do not sell outside the United States, as they are sometimes purchased with accompanying data plans.

222. In the alternative, the markets for iOS-connected smartwatches, smartwatches overall, iOS smartphones, and smartphones overall are worldwide.

V. Monopoly Power

223. Apple has monopoly power in the market for iOS-connected smartwatches, the overall market for smartwatches, the market for iOS smartphones, and the overall market for smartphones.

A. Apple Has Monopoly Power in the Markets for iOS-Connected Smartwatches and All Smartwatches

224. Apple has monopoly power in the market for iOS-connected smartwatches in the United States. In the alternative, Apple has monopoly power in the market for smartwatches in the United States.

225. The existence of monopoly power is supported by the fact that approximately 79% of iPhone users with smartwatches used an Apple Watch as of 2023. According to a Counterpoint research study of the same year, the next largest competitor was Garmin, with approximately 7% market share. Even if the market is defined to include all smartwatches in the United States, Apple has a market share of approximately 60%.

226. Further evidence of Apple's monopoly power is the fact that it has profitably increased prices of Apple Watches while simultaneously increasing its market share, and consistently charged prices greater than comparable competing devices. The base model of the Apple Watch Series 1, released in 2016, cost \$269. Two years later, the base model Apple Watch cost \$399. The base model Apple Watch Series 3, released in 2017, cost \$399 with cellular service enabled, while the base model Apple Watch Series 9 cost \$499 with cellular service enabled. The

Apple Watch Series 10, released after this lawsuit was filed, costs \$399 for the Aluminum model with a 42 mm screen, \$429 for the Aluminum model with a 46 mm screen, and \$699 or \$749 for the Titanium models, respectively. In recent years, Apple has added a premium-tier Apple Watch Ultra as well, which debuted in 2022 and cost \$799. The Apple Watch Ultra 2 costs \$799 as well, or \$899 if purchased with a Titanium Milanese Loop band.

227. These price increases have not reflected increasing Apple Watch quality. This is evident from the fact that while the Apple Watch has improved in certain respects, those improvements have been matched (or exceeded) by comparable smartwatches, as detailed below, and those comparable smartwatches have not imposed similar price increases.

228. Throughout this period of price increases, Apple's share of the iOS-connected smartwatch market and the overall smartwatch market increased. This is especially notable because Apple Watches cost significantly more than comparable, competing devices.

229. Setting aside the Apple Watch, the best iOS-compatible smartwatches in 2022, according to PC Magazine, included Garmin's Venu Sq 2 (\$249) and Fitbit Versa 4 (\$199).⁸⁰ Reviews widely praise Fitbit's Versa smartwatches, particularly for their comfort, far superior battery life (six days compared to less than one for the Apple Watch), and fitness features. In the words of one reviewer, the Versa "delivers nearly everything" the Apple Watch provides and does so at a lower cost.⁸¹ Moreover, Fitbit's Versa smartwatches have fallen in price in recent years—from \$229 for the Versa 3 to \$199 for the Versa 4—while Apple Watch prices have remained constant. Apple's smartwatches are also priced higher than top-rated smartwatches made

⁸⁰ Angela Moscaritolo and Andrew Gebhart, *The Best Smartwatches for 2024*, PC Magazine (Feb. 29, 2024), <https://www.pcmag.com/picks/the-best-smartwatches>.

⁸¹ Dawn Allcot, *Apple Watch Series 7 vs. Fitbit Versa 3: Which Smartwatch Deserves a Look*, TheStreet (Apr. 21, 2022), <https://www.thestreet.com/personal-finance/apple-watch-series-7-vs-fitbit-versa-3>.

exclusively for Android devices, including the Samsung Galaxy Watch 6 and Google Pixel Watch 3.

230. Since the filing of this complaint, multiple Apple competitors have released smartwatches that compare favorably to the Apple Watch, despite Apple's restraints, but sell for a substantially lower price. For instance, earlier this year, Amazfit released the Active 2, starting at \$99.99, which, according to TechRadar, offers 10 days of battery life, workout metrics "right on par with [the] Apple Watch Ultra 2," and a "[b]rilliant classic design."⁸² The reviewer went on to praise the Amazfit Active 2 for having "an onboard AI-powered assistant that can actually do things, unlike Siri on the Apple Watch," and added, "In 10 years of using Apple Watch, the \$99 Amazfit Active 2 is the closest I've ever come to jumping ship."⁸³ The Verge also praised the Amazfit Active 2 in a review, stating that it "does not look or feel cheap," was "similar in accuracy to [the] Apple Watch Ultra 2 for GPS runs and heart rate," and delivered a "stacked" and "bonkers" feature set for the price.⁸⁴

231. Garmin's Vivoactive 5 also currently retails for \$269.99 on the Garmin website.⁸⁵ The Vivoactive 5 offers users 11 days of battery life (compared to 18 hours on the Apple Watch Series 10), "top-end fitness tracking," and physical buttons.⁸⁶ Given its low price and advanced

⁸² Stephen Warwick, *The best smartwatch for iPhone 2025: Apple Watches and the best alternatives*, TechRadar (Mar. 21, 2025), <https://www.techradar.com/news/best-smartwatch-for-iphone-what-great-watches-work-with-your-iphone>.

⁸³ *Id.*

⁸⁴ Victoria Song, *Amazfit Active 2 review: outsized bang for your buck*, The Verge (Feb. 9, 2025), <https://www.theverge.com/smartwatch-review/608342/amazfit-active-2-review-budget-smartwatch-wearables-fitness-tracker>.

⁸⁵ Garmin, vivoactive 5, <https://www.garmin.com/en-US/p/1057989>.

⁸⁶ Luke Edwards, *Garmin Vivoactive 5 review: Health and fitness tracking finds a perfect balance*, TechRadar (July 2, 2024), <https://www.techradar.com/health-fitness/fitness-trackers/garmin-vivoactive-5-review#section-garmin-vivoactive-5-design-and-screen>.

features, TechRadar described this smartwatch as “start[ing] to make a play as an Apple Watch competitor,” despite the significant limitations Apple places on its available features.⁸⁷

232. Amazfit and Garmin have not made significant inroads in the iOS-connected smartwatch market despite offering watches that compare favorably in terms of price and certain features. After praising these competitors to the Apple Watch, TechRadar still recommended that iPhone users purchase an Apple Watch because doing so “will give you the best experience in terms of interoperability, data sharing, and notifications on your wrist.”⁸⁸

233. As a result of the anticompetitive disadvantages Apple has placed on rival smartwatches, the company is able to charge supracompetitive prices while continuing to gain market share. Apple’s ability to charge supracompetitive prices while increasing its market share is evidence of its monopoly power. Apple has enjoyed increasing gross profit margins throughout this period as well. Apple’s monopoly power in the market for iOS-connected smartwatches and all smartwatches is also supported by the fact that, over time, an increasing share of iPhone users have purchased Apple Watches.

234. Competitors cannot discipline Apple’s exercise of monopoly power in the market for iOS-connected smartwatches or the market for all smartwatches due to the control Apple exercises over iOS and the iPhones to which competing smartwatches must connect. Nor can new entrants significantly discipline Apple’s exercise of monopoly power. They too would face the same restrictions resulting from Apple’s control over iOS—itsself a significant barrier to entry—as well as further very high barriers to entry. Developing a smartwatch requires tens and likely

⁸⁷ *Id.*

⁸⁸ Stephen Warwick, *The best smartwatch for iPhone 2025: Apple Watches and the best alternatives*, TechRadar (Mar. 21, 2025), <https://web.archive.org/web/20250408224357/https://www.techradar.com/news/best-smartwatch-for-iphone-what-great-watches-work-with-your-iphone>.

hundreds of millions of dollars in investment to build the necessary software and hardware, and to manufacture the device at scale. These barriers to entry are reflected in the increasing consolidation among smartwatch competitors: Fitbit acquired Pebble's intellectual property in 2016, and Fitbit was subsequently acquired by Google in 2021. Google also paid \$40 million to acquire smartwatch-related intellectual property and a research and development team from Fossil Group in 2019. In recent years, a number of potential and actual entrants have either abandoned their plans to enter the smartwatch business or abandoned their ongoing smartwatch operations. These include massive technology companies such as Meta, which in 2022 abandoned an iOS-connected smartwatch it was developing and planned to release in 2023, as well as Fossil, which in 2024 announced it would release no new smartwatches.

B. Apple Has Monopoly Power in the Markets for iOS Smartphones and for All Smartphones

235. Apple also has monopoly power in the market for iOS smartphones. Apple's iPhone accounts for 100% of sales in the market for iOS smartphones. Apple exercises complete control over iOS, licenses its mobile operating system to no smartphone competitor, and manufactures the iPhone smartphones that account for 100% of the market. Apple's decision not to license iOS means that no entrant can discipline Apple's exercise of monopoly power over iOS smartphones. Apple's monopoly power is further demonstrated by the fact that iPhone prices are rising along with Apple's profit margin on the iPhone, as detailed below.

236. In the alternative, Apple has monopoly power in the market for smartphones. In the United States, Apple's monopoly power is apparent from its market share. As of the start of 2024, Apple had a greater than 60% share of smartphone shipments in the United States. The company accounted for at least 64% of smartphone shipments in Q4 2023. Also supporting Apple's monopoly power is its dominance in the most profitable premium smartphone segment, where

Apple accounts for an even larger share of the market in the United States and around the world. Apple also has a monopoly share in the performance smartphone market, which excludes entry-level smartphones. The iPhone accounts for more than 70 percent of performance smartphone sales in the United States. Apple also controls a greater share of certain critical smartphone sub-markets, including the 18- to 24-year-old demographic. Among 18- to 24-year-olds in the United States, Apple has at least 79% market share.⁸⁹

237. Apple's monopoly power in the market for smartphones is further demonstrated by the fact that it has increased the price of iPhones even as it has increased its market share and seen its profits grow at the same time. In 2008, the base model iPhone 3G sold for \$199. The base model iPhone 15 sold for \$799 in 2023. By one measure, between 2020 and 2021 alone, the average price of an iPhone increased by \$64. Meanwhile, Apple's gross profit margin has increased more than 7% between Q4 2019 and Q4 2023. Upon information and belief, this increasing margin is attributable in substantial part to Apple's iPhone business, which accounts for more than half of the company's overall revenue.

238. Competing smartphones do not discipline Apple's exercise of monopoly power in the smartphone market. Apple is a unified smartphone manufacturer with control over the iOS software that runs iPhones, the App Store that provides apps for iPhones, and the physical hardware of the iPhone itself. Apple's smartphone competitors, meanwhile, are highly fragmented. While most of its competitors operate on Google's Android operating system, Google does not have a significant share of the smartphone device market, and no device manufacturer in the United States has even half of Apple's market share. Moreover, two of the strongest global smartphone

⁸⁹ Bloomberg, *79% of Gen Z US Consumers Prefer iPhones to Rivals, Finds Bloomberg Intelligence*, (Feb. 23, 2023), <https://www.bloomberg.com/company/press/79-of-gen-z-us-consumers-prefer-iphones-to-rivals-finds-bloomberg-intelligence/>.

companies, Huawei and ZTE, are barred from selling devices in the United States, further preventing checks on Apple's dominance in the U.S. market.

239. Apple's competitors in the global smartphone market are only more fragmented. As of Q4 2023, Apple had the largest share of the global smartphone market, with nearly 25% of smartphone sales, and the next largest competitor, Samsung, accounted for only 16% of smartphone sales.⁹⁰ Meanwhile, in the global smartphone market of the greatest relevance for manufacturers—the market for premium smartphones over \$600—Apple's monopoly power is apparent from its market share: in 2022 and 2023 respectively, Apple accounted for 75% and 71% of global premium smartphone shipments.⁹¹

240. Nor can new entrants discipline Apple's monopoly power in the smartphone market. The smartphone market has high barriers to entry, requiring immense investments in both software and hardware to develop a competitive device. Many sophisticated technology companies have tried and failed to enter the smartphone business, including Amazon, Microsoft, and Facebook (now Meta). And the iPhone benefits from substantial network effects, including a catalog of millions of apps developed specially for the device.

241. Also contributing to these network effects is the fact that once consumers have purchased an iPhone, they are locked into that device and the Apple ecosystem. iPhones are high-cost, long-lasting, durable products that users cannot easily switch away from after purchase. iPhones are also regularly subsidized by cellular network providers, further tying users by contract

⁹⁰ Federica Laricchia, *Global smartphone market share from 4th quarter 2009 to 4th quarter 2023, by vendor*, Statista (Feb. 8. 2024), <https://www.statista.com/statistics/271496/global-market-share-held-by-smartphone-vendors-since-4th-quarter-2009/>.

⁹¹ Yahoo! Finance, *Apple dominates global premium smartphone market in 2023, but Huawei gains ground on the back of its new 5G handsets* (Jan. 3, 2024), <https://finance.yahoo.com/news/apple-dominates-global-premium-smartphone-093000842.html>.

to the device for multiple years. And once users purchase an iPhone, they are unlikely to switch to a competing device due to difficulties or perceived difficulties related to the transfer of photos and videos, text messages, and apps.

242. Apple's strategy of tying customers into the Apple product ecosystem means that iPhone customers who have purchased other Apple products, such as an iPad or MacBook, feel constrained to continue purchasing iPhones because those other Apple devices will either not work with, or will work less well with, competing smartphones. This lock-in effect is by design, and Apple's internal emails show that it has prevented interoperability between iPhones and competing devices with the express intention of keeping users locked into the Apple ecosystem.

VI. Antitrust Injury and Standing

243. Plaintiff and the members of the putative class have suffered antitrust injury as a direct result of Apple's unlawful conduct. Apple's conduct enabled it to charge Plaintiff and the members of the putative class supracompetitive prices for Apple Watches. Plaintiff and the members of the putative class are the direct purchasers of Apple Watches from Apple who paid supracompetitive prices for those devices to Apple.

CLASS ACTION ALLEGATIONS

244. Plaintiff brings this action on behalf of itself and as a class action pursuant to Federal Rules of Civil Procedure 23(a), and 23(b)(2), 23(b)(3), and/or 23(c)(4) on behalf of the following proposed class:

Proposed Class: All persons in the United States that purchased an Apple Watch directly from Apple, other than for resale, between April 3, 2020, and the present.

245. Excluded from the class are: (a) Defendant; (b) subsidiaries and affiliates of Defendant; (c) any person or entity who is an officer, director, employee, or controlling person of any Defendant; (d) any entity in which Defendant has a controlling interest; (e) the legal

representatives, heirs, successors, and assigns of any excluded party; and (f) any judicial officer presiding over this action, the members of his or her immediate family and staff, and any juror assigned to this action.

246. **Numerosity.** The members of the class are so numerous that joinder of all members is impracticable. Apple has sold millions of Apple Watches to people in the United States since 2020. Upon information and belief, there are over 50 million people in the proposed class.

247. **Typicality.** Plaintiff's claims are typical of the claims of the members of the class. On December 2, 2021, Plaintiff purchased an Apple Watch directly from Apple on Apple.com for pickup at the Oakbrook, Illinois Apple Store. Plaintiff's claims are also typical of the other class members in that Plaintiff has been damaged as a result of paying a supracompetitive price to Apple to purchase an Apple Watch and continues to suffer harms due to Apple's anticompetitive conduct.

248. **Adequacy.** Plaintiff will fairly and adequately protect the interests of the putative class and has retained counsel competent and experienced in antitrust litigation and class action litigation. Plaintiff is committed to the vigorous prosecution of this action and has no interests that are adverse or antagonistic to the class.

249. **Superiority.** A class action is superior to all other available means for the fair and efficient adjudication of the claims of the members of the class. The damages suffered by some individual members of the class may be relatively small compared to the burden and expense of individual prosecution of the complex and extensive litigation required to recover from Apple. It would be impractical for most, if not all, class members to redress the wrongs done to them on an individual basis. Furthermore, individual litigation would be unmanageable for the court system as it would result in hundreds, if not thousands, of individual lawsuits, creating the risk of inconsistent or contradictory judgments and increasing the delay and expense to all parties and the

court system. In contrast, a class action would present far fewer management difficulties. Class action treatment provides the benefits of a single adjudication, economies of scale, and supervision by a single court. The members of the class are ascertainable through methods typical of class action practice and procedure, including through Apple's own records.

250. **Existence and Predominance of Common Questions of Law and Fact.**

Numerous questions of law and fact are common to Plaintiff and all members of the class. These common questions will result in common answers for all class members that will impact the resolution of the claims on grounds equally applicable to all class members. These common questions, which predominate over any questions affecting only individual class members, include, but are not limited to:

- A. Whether Apple's Developer Program License Agreement with makers of competing smartwatches and with third-party software companies that develop apps for smartphones constitutes an unreasonable restraint of trade.
- B. Whether the market for iOS-connected smartwatches in the United States is a relevant antitrust market.
- C. Whether Apple has monopoly power in the market for iOS-connected smartwatches in the United States.
- D. Whether the market for smartwatches in the United States is a relevant antitrust market.
- E. Whether Apple has monopoly power in the market for smartwatches in the United States.
- F. Whether Apple has engaged in anticompetitive conduct to illegally maintain a monopoly in the market for iOS-connected smartwatches in the United States.

- G. Whether Apple has engaged in anticompetitive conduct to illegally maintain a monopoly in the market for smartwatches in the United States.
- H. Whether Apple's conduct resulted in supracompetitive prices paid by purchasers of Apple Watches during the class period.
- I. The correct measure of class-wide damages.
- J. Whether injunctive relief is appropriate to restrain Apple from continued anticompetitive conduct in the market for iOS-connected smartwatches.

251. Certification is also appropriate under Federal Rule of Civil Procedure 23(b)(2), in addition to Federal Rule of Civil Procedure 23(b)(3), because Apple has acted or refused to act on grounds generally applicable to the Class, thereby making appropriate final injunctive relief with respect to the entire Class.

CAUSE OF ACTION I: MONOPOLIZATION

(15 U.S.C. § 2)

252. Plaintiff incorporates by reference each of the allegations set forth in this complaint as if fully set forth herein.

253. Apple's conduct violates Section 2 of the Sherman Act, which prohibits "monopoliz[ation of] any part of the trade or commerce among the several States, or with foreign nations." 15 U.S.C. § 2.

254. The market for iOS-connected smartwatches in the United States is a valid antitrust market. In the alternative, the market for smartwatches in the United States is a valid antitrust market.

255. Apple has monopoly power in the market for iOS-connected smartwatches in the United States—or, in the alternative, the worldwide market for iOS-connected smartwatches. In

the alternative, Apple has monopoly power in the market for smartwatches in the United States—
or, in the alternative, the worldwide market for smartwatches.

256. Apple has intentionally and unlawfully acquired and maintained monopoly power
in the relevant smartwatch antitrust market through the anticompetitive conduct described above.

257. Apple’s conduct affects a substantial volume of interstate commerce.

258. Apple’s conduct has substantial anticompetitive effects, including reduction in
competition in the marketplace, increased prices, as well as reduced quality, innovation, and output
in the iOS-connected smartwatch market, the smartwatch market generally, and the market for iOS
sister apps for smartwatches.

259. As purchasers of Apple Watches, Plaintiff and the members of the proposed class
have been harmed by Apple’s anticompetitive conduct in a manner that the antitrust laws were
intended to prevent. Among other injuries, Plaintiff and the putative class members paid more for
Apple Watches than they would have in the absence of Apple’s anticompetitive conduct. Plaintiff
and members of the proposed class will continue to suffer injuries until an injunction issues ending
Apple’s anticompetitive conduct.

CAUSE OF ACTION II: ATTEMPTED MONOPOLIZATION
(15 U.S.C. § 2)

260. Plaintiff incorporates by reference each of the allegations set forth in this complaint
as if fully set forth herein.

261. Apple’s conduct violates Section 2 of the Sherman Act, which prohibits
“monopoliz[ation of] any part of the trade or commerce among the several States, or with foreign
nations.” 15 U.S.C. § 2.

262. The market for iOS-connected smartwatches in the United States is a valid antitrust
market. In the alternative, the market for smartwatches in the United States is a valid antitrust

market. In the alternative, the worldwide markets for iOS-connected smartwatches, or smartwatches generally, are valid antitrust markets.

263. If, in the alternative to the above-pleaded monopolization claim, Apple does not have monopoly power in the market for iOS-connected smartwatches in the United States, or in the market for smartwatches in the United States, then there is a dangerous probability that Apple will acquire monopoly power in the market for iOS-connected smartwatches in the United States or, in the alternative, the market for smartwatches in the United States, through its anticompetitive conduct. Apple is willfully engaging in the anticompetitive conduct alleged above with the specific intent of achieving monopoly power and monopolizing the relevant market.

264. This dangerous probability of achieving monopoly power is evident from Apple's rising share of the iOS-connected smartwatch market and smartwatch market. Apple's share of the smartphone market has grown as well, recently reaching an all-time high of approximately 65%. As the percentage of Americans with Android smartphones shrinks, so does the number of smartphone users with devices not encumbered by Apple's restrictions, further limiting the ability of smartwatch companies to compete with Apple and bolster their sales by selling smartwatches to Android users.

265. Apple's conduct in other markets also shows the dangerous probability that it will acquire monopoly power in these relevant markets. In addition to the Department of Justice's litigation against Apple for monopolization of the smartphone market, Apple was recently fined nearly \$2 billion by the European Union for anticompetitive App Store rules that led to consumers overpaying for music streaming services. Apple has also shown an ability to rapidly accumulate market share in markets for iPhone- and smartphone-connected devices. This includes the market for headphones, where Apple had acquired nearly 50% market share by 2021 between its AirPods

and Beats headphones brands,⁹² as well as the market for lost-item trackers, where, as described above, Apple was accused of anticompetitive conduct by competitor Tile before and after the release of Apple's competing Airtag devices in 2021, and where Apple quickly captured significant market share from Tile.

266. Apple's conduct affects a substantial volume of interstate commerce.

267. Apple's conduct has substantial anticompetitive effects, including increased prices, as well as reduced quality, innovation, and output in the relevant product market.

268. As purchasers of Apple Watches, Plaintiff and the members of the proposed class have been harmed by Apple's anticompetitive conduct in a manner that the antitrust laws were intended to prevent. Among other injuries, Plaintiff and the putative class members paid more for Apple Watches than they would have in the absence of Apple's anticompetitive conduct. Plaintiff and members of the proposed class will continue to suffer injuries until an injunction issues ending Apple's anticompetitive conduct.

CAUSE OF ACTION III: UNREASONABLE RESTRAINT OF TRADE

(15 U.S.C. § 1)

269. Plaintiff incorporates by reference each of the allegations set forth in this complaint as if fully set forth herein.

270. Apple's conduct violates Section 1 of the Sherman Act, which prohibits "[e]very contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several States, or with foreign nations." 15 U.S.C. § 1.

271. Apple forces all iOS app developers, including its competitors in the iOS-connected smartwatch market, to enter into its Developer Program License Agreement (DPLA) as a condition

⁹² Felix Richter, *Apple Dominates the U.S. Headphones Market*, Statista (Feb. 7, 2022), <https://www.statista.com/chart/26791/most-popular-headphone-brands-in-the-us/>.

of distributing iOS apps. A smartwatch maker cannot compete in the market for iOS-connected smartwatches without distributing an iOS app. A smartwatch maker's ability to compete in the market for smartwatches generally is also substantially harmed by the inability to distribute an iOS app.

272. The provisions of the DPLA restricting the signatories' access to private APIs, and requiring them to use public APIs "in the manner prescribed by Apple," as well as the provisions of the App Review Guidelines, unreasonably restrain trade in the market for iOS-connected smartwatches in the United States. In the alternative, these DPLA provisions unreasonably restrain trade in the market for smartwatches in the United States.

273. Apple's agreements with Apple Watch competitors are illegal *per se*. Among other things, the limitations on API access in the DPLA constitutes an agreement between Apple and competing smartwatch makers that these competing smartwatch makers will limit the capabilities of their iOS-connected smartwatches at Apple's discretion, regardless of the technical ability to provide those capabilities to iPhone owners.

274. Apple's agreements with Apple Watch competitors and other app developers under the DPLA and the App Review Guidelines are also unreasonable restraints of trade when evaluated under the Rule of Reason.

275. The challenged provisions serve no legitimate or procompetitive purpose.

276. Apple's conduct affects a substantial volume of interstate commerce.

277. Apple's conduct has substantial anticompetitive effects, including increased prices and costs, reduced output, and reduced innovation and product quality.

278. As purchasers of Apple Watches, Plaintiff and the members of the proposed class have been harmed by Apple's anticompetitive conduct in a manner that the antitrust laws were

intended to prevent. Among other injuries, Plaintiff and the putative class members paid more for Apple Watches than they would have in the absence of Apple's anticompetitive conduct. Plaintiff and members of the proposed class will continue to suffer injuries until an injunction issues ending Apple's anticompetitive conduct.

**CAUSE OF ACTION IV: CARTWRIGHT ACT - UNREASONABLE RESTRAINT OF
TRADE**

(Cal. Bus. & Prof. Code § 16700 *et seq.*)

279. Plaintiff incorporates by reference each of the allegations set forth in this complaint as if fully set forth herein.

280. Apple's acts and practices detailed above violate the Cartwright Act, Cal. Bus. & Prof. Code § 16700 *et seq.*, which prohibits, among other things, combinations in restraint of trade.

281. A "combination" is formed under the Cartwright Act when the anticompetitive conduct of one firm forces market participants to adhere involuntarily to an anticompetitive agreement or scheme.

282. The market for iOS-connected smartwatches in the United States is a valid antitrust market. In the alternative, the market for smartwatches in the United States is a valid antitrust market.

283. The provisions of the DPLA restricting the signatories' access to private APIs, and requiring them to use public APIs "in the manner prescribed by Apple," as well as the provisions requiring agreement to the App Review Guidelines, unreasonably restrain trade in the market for iOS-connected smartwatches in the United States. In the alternative, these DPLA provisions unreasonably restrain trade in the market for smartwatches in the United States.

284. Apple's agreements are illegal *per se*. The limitations on API access in the DPLA constitute an agreement between Apple and competing smartwatch makers that these competing

smartwatch makers will limit the capabilities of their iOS-connected smartwatches at Apple's discretion, regardless of the technical ability to provide those capabilities to iPhone users. Furthermore, the provisions in the App Review Guidelines requiring, among other things, that iOS app developers, including makers of sister apps for third-party smartwatches, not promote their compatibility with any smartwatch other than the Apple Watch constitute a *per se* illegal group boycott under the Cartwright Act.

285. In the alternative, Apple's agreements with Apple Watch competitors and other app developers under the DPLA and the App Review Guidelines are unreasonable restraints of trade when evaluated under the Rule of Reason.

286. The challenged provisions serve no legitimate or procompetitive purpose.

287. Apple's conduct has substantial anticompetitive effects, including increased prices and costs, reduced output, and reduced innovation and product quality.

288. Apple's conduct harms Plaintiff and the proposed class who, as a direct result of Apple's conduct, have paid supracompetitive prices for Apple Watches, among other harms.

289. It is appropriate to bring this action under the Cartwright Act because the illegal agreements were made in California, purport to be governed by California law, affect consumers residing in California, Apple is located in California, and overt acts in furtherance of the anticompetitive scheme took place in California.

CAUSE OF ACTION V: UNFAIR COMPETITION LAW
(Cal. Bus. & Prof. Code § 17200 *et seq.*)

290. Plaintiff incorporates by reference each of the allegations set forth in this complaint as if fully set forth herein.

291. Apple's acts or practices described above violate California's Unfair Competition Law ("UCL"), California Business & Professions Code § 17200 *et seq.*, which prohibits any unlawful, unfair, or fraudulent business act or practice.

292. Plaintiff and the proposed class have standing to bring this claim because they have suffered injury in fact and lost money as a result of Apple's unfair competition. Among other things, Apple's conduct caused Plaintiff and the proposed class to pay supracompetitive prices for Apple Watches they purchased.

293. Apple's conduct violates the Sherman Act and the Cartwright Act, and therefore constitutes unlawful conduct under the UCL.

294. Apple's conduct also constitutes unfair conduct under the UCL because it is immoral, unethical, oppressive, unscrupulous, offends public policy, and is substantially injurious to consumers. Apple's unfair practices include (1) conditioning iOS developers' distribution of smartwatch sister apps via the Apple App Store on those developers agreeing not to discuss, promote, or display images of competing smartwatches and agreeing to limit the discoverability of their app by competing smartwatch owners; (2) using its control over the App Store to punish third-party developers that promote smartwatches that compete with the Apple Watch and to limit or delay distribution of competing smartwatches' companion apps; (3) conditioning smartwatch competitors' access to the Apple App Store on their agreement not to use private APIs, or use public APIs in a manner Apple has determined is impermissible, and in effect requiring agreement not to offer features competitive to the Apple Watch at Apple's discretion; and (4) each of the anticompetitive acts detailed in this complaint, including Apple's distribution of updates that harm competing smartwatches and intentionally slow responses to the resulting software problems. Apple engaged in all of this conduct to gain an unfair commercial advantage over its competitors.

295. The injury Apple's conduct caused and continues to cause to consumers is substantial and is not outweighed by any countervailing benefits to consumers or competition. Meanwhile, there were reasonably available alternatives to further Apple's legitimate business interests other than the conduct described herein.

296. Consumers could not avoid the harmful effects of Apple's conduct because Apple limits the viable alternatives to the Apple Watch and because Apple does not disclose, and indeed misrepresents and obscures, the restrictions it places on competing iOS-connected smartwatches, preventing users from understanding the harmful effect of those restrictions before they purchase an iPhone.

297. Apple's unlawful and unfair conduct described herein is ongoing and continues to harm consumers, competitors, and the marketplace as a whole.

PRAYER FOR RELIEF

Wherefore, Plaintiff, on behalf of himself and the Class, prays for judgment against Defendant as follows:

298. Determining that this action may be maintained as a class action pursuant to Federal Rule of Civil Procedure 23 and directing that reasonable notice of this action be provided to the Class pursuant to Rule 23(c)(2).

299. Awarding Plaintiff and the Class treble damages for their injuries caused by Apple's violations of the federal antitrust laws.

300. Granting Plaintiff and the Class injunctive and other equitable relief enjoining Apple, its officers, agents, servants, and employees, and all those acting in concert with the aforementioned parties, from engaging in the anticompetitive conduct alleged herein.

301. Granting Plaintiff and the Class all appropriate equitable and injunctive relief available under the Unfair Competition Law, including restitution to Plaintiff and the Class for their injuries.

302. Awarding Plaintiff and the Class reasonable attorneys' fees and costs.

303. Granting such other and further relief as the Court may deem just and proper.

DEMAND FOR A JURY TRIAL

304. In accordance with Federal Rule of Civil Procedure 38, Plaintiff hereby demands a trial by jury on all issues so triable.

Dated: July 30, 2025

Respectfully submitted,

By: /s/ George A. Zelcs

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